Manitoba
Energy and Mines
Geological Services

Miscellaneous Publication 91-2, Part B

Mineral Inventory Cards (Supplement to Economic Geology Report ER79-6): Lynn Lake, NTS Areas 64C/10, 64C/11 and 64C/12

Compiled by P. Athayde
Winnipeg, 1991

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MANITOBA ENERGY AND MINES — MINERAL INVENTORY FILE NO. 616

PRODUCT GOLD — N.T.S. AREA 64C/10 NW — REF. AU 1

NAME OF PROPERTY
Lasthope (Smoke)

OWNER OR OPERATOR AND ADDRESS
1991- Consolidated Jalna Resources Ltd.
A17 Block A
6120 2nd Street SE
Calgary, Alberta
T2H 2L8

OBJECT LOCATED Madole vein — Mining Division The Pas

Lat. 56° 40.58' — Long. 100° 50.33' — UNCERTAINTY: 250 m

Sec. — Tp. 88, 89 — R. 21, 22 WPM

DESCRIPTION OF DEPOSIT

The following description is summarized primarily from Bateman (1945). The area is underlain by a west-northwest-striking layered succession that from south to north comprises Precambrian quartz-feldspar porphyry, mafic tuff, quartzite, mudstone, magnetite-bearing quartzite and feldspathic quartzite. Two parallel quartz veins cut the quartzite. The north vein is barren, whereas the south vein contains gold-bearing sulphide mineralization. The south vein is 0.3-1.2 m wide and can be divided into two units: 1) a southern white massive quartz unit; and 2) a northern grey aphanitic, siliceous unit with disseminated grains and stringers of pyrite and trace chalcopyrite. The average sulphide content of the vein is 5% (up to 15% locally). Visible gold was not reported by either Baldwin et al. (1985) or Bateman (1945); however, drilling carried out by Sherritt Gordon Mines, Limited in 1939 intersected significant gold mineralization.

HISTORY OF EXPLORATION AND DEVELOPMENT

The Madole vein of the Lasthope property outcrops on the Smoke Nos. 2, 3, 8 (P4329, 30, 35) mineral claims (Fawley, 1952, p. 26). The Smoke group is located approximately 4 km north of Lasthope Lake, 4 km south of Miskwa Lake and 25 km southeast of the town of Lynn Lake. Milligan (1960, Map No. 6) indicated the presence of a winter road to the Lasthope property from Lynn Lake.

The Lasthope property of 36 leased claims consists of the following groups of claims: Smoke Nos. 1-12 (P4328-39); Heath Nos. 1-7 (P4834-37, 4923-25); Nencie Nos. 1-6 (P4399-4404); Oro Nos. 9, 11, 25, 26, 28-32 (P4846, 48, 62, 63, 65-69); and D.N. and D.N. No. 1 (P5352, 49). The original gold discovery was made on the Smoke No. 2 claim in 1937 by R. Madole (Bateman, 1945, p. 29), who was told of the vein by a native Indian (Manitoba Energy and Mines, Unpublished Information Files).

ASSOCIATED MINERALS OR PRODUCTS OF VALUE
copper, zinc

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

The subsequent staking activity is given in summary form below:

Date	Activity
July 1938	Smoke Nos. 1-12 were staked by R. Madole, A. Anderson, R. Rundle, and J.W. Rundle.
Sept. 1938	Smoke Nos. 4-6 were transferred to A. Anderson by R. Rundle, and Smoke Nos. 10-12 to R. Madole by J.W. Rundle. Nencie Nos. 1-6 were staked by F.S. Johnson, R. Madole, and A. Anderson.
1938	Bateman (1945, p. 29) indicated that J.P. Gordon obtained control of the Lasthope property and then optioned it to Sherritt Gordon Mines, Limited in 1939.
June 1939	Heath Nos. 1-7 were staked by H.H. Hales and A.E. Gallie.
June 1939	Oro Nos. 9, 11, 25, 26, 28-32 were staked by W.J. Farley, E.L. Brown, J. Stewart and J. Sayies.
Aug. 1939	Heath and Oro claims were transferred to E.L. Brown.
Dec. 1939	D.N. and D.N. No. 1 were staked by G.E. Webber and were then transferred to E.L. Brown.

NOTE: The above dates of staking and names of stakers differ on occasion with those given by Bateman (1945, p. 29). However, the above data was that recorded in the Mining Recording Office of the Manitoba Mineral Resources Division.

Early development work on the Madole vein consisted of blasting shallow test pits (Bateman, 1945, p. 29). "Early results" reported to the Manitoba Mines Branch included 29 g/t (0.85 oz/ton) of gold over an average width of 1.2 m (4 ft) and a length of 91 m (300 ft). A large number of mineralized float boulders were found during prospecting (Manitoba Energy and Mines, Unpublished Information Files). In 1939, Sherritt Gordon Mines, Limited probed the vein with 59 drill holes totalling 3127 m (10 260 ft) (Sherritt Gordon Mines, Limited, Annual Report 1939). To a depth of 46 m (150 ft), the drilling program indicated reserves of 127 000 tonnes (140 000 tons) containing 7.9 g/t (0.23 oz/ton) of gold (Bateman, 1945, p. 27 and The Northern Miner, May 9, 1940).

During May 1940, the survey plans for the 36 claims were approved. The claims were then transferred to E.L. Brown in August 1940. Lasthope Lake Gold Mines Limited, a subsidiary of Sherritt Gordon Mines, Limited was incorporated in September 1940 to explore and develop the Lasthope property. In November 1940, all 36 claims were transferred to Lasthope Lake Gold Mines, Limited.

Further diamond drilling was conducted during 1941. A total of 1333 m (4372 ft) of drilling was completed. Five holes were put down to intersect the vein at a vertical depth of 152 m (500 ft) below the outcrop. A number of exploratory holes were drilled in an unsuccessful attempt to extend the known length of the vein eastward. The deep holes indicated unchanged geological conditions to the depth drilled with widths comparable to those on the 61 and 107 m (200 and 350 ft) levels. Assay values obtained in the deep holes ranged from a trace amount to 3.8 g/t (0.11 oz/ton) of gold (Sherritt Gordon Mines, Limited, Annual Report 1941). In April 1944, 21-year leases (M1455-1490) were issued to Lasthope Lake Gold Mines Limited for the 36 claims in question.

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

In 1945, it was reported that 118 000 tonnes (130 000 tons) averaging 7.2 g/t (0.21 oz/ton) Au had been proven to a depth of 114 m (375 ft) (Sherritt Gordon Mines, Limited, Annual Report 1945). Assessment drilling, totalling 327 m (1073 ft), was conducted on the Lasthope property during 1947. The results are unknown (Sherritt Gordon Mines, Limited, Annual Report 1947).

The leases were renewed for a further 21-year period in April 1965. However, due to a change in government regulations, the lease status was revised. Consequently Lasthope Lake Gold Mines Limited applied for an explored area lease for Smoke Nos. 1-4, 7-10 (P4328-31, 34-37) and Nencie Nos. 1, 6 (P4399-4404). The Smoke claims were cancelled in 1977.

Airborne geophysical surveys were done by Sherritt Gordon Mines, Limited in 1957 and 1972, by Mattagami Lake Mines Limited in 1973, and by the Manitoba government in 1976 (Non-confidential Assessment Files 91622, 91699, 91826, 91989, 91991). Geological mapping (1:50 000) was done by Syme (1977).

In March 1978, W. Bruce Dunlop Limited staked CB 9043 over the property and in 1983 transferred ownership to Jalna Resources Ltd.. Additional ground to the east was held by W. Bruce Dunlop Limited from 1980 to 1985 as CB 10297 and later as Lasthope 3 (W 45574), which was restaked as Lasthope 3 (P 8879E) by Jalna Resources Ltd. in 1986. Grand Energy Corporation (renamed Balcor Resources Corporation in April 1986) optioned the property that year.

Prospecting and geophysical surveys were carried out in 1982 and 1985, respectively and were followed up with diamond drilling in 1987. The drilling confirmed the previous reserve estimate. Schindler Exploration Consultants Ltd. recalulated the reserves as 97 011 tonnes (106 906 tons) grading 12 g/t (0.35 oz/ton) over an average vein width of 1.5 m (5 ft), with 27 060 tonnes (29 820 tons) of 25 g/t (0.73 oz/ton) Au in the higher grade zones (Balcor Resources Corp., 1987 Corporation Information Leaflet). Funding for the next stage of exploration was arranged with National Investors Management (NIM) (The Northern Miner, April 20, 1987).

Work reported to have been done in 1987-1988 included magnetometer, VLF-EM and IP surveys; geological mapping, prospecting and sampling; and 18 300 m (60 000 ft) of diamond drilling (Canadian Mine Handbook, 1989-90). Drill-indicated proven, probable and possible reserves were reported as 541 000 tonnes (596 000 tons) grading 8.23 g/t (0.24 oz/ton) Au uncut over an average true width of 1.5 m (5 ft), including 95 700 tonnes (105 500 tons) grading 19.89 g/t (0.58 oz/ton) Au (The Northern Miner, June 20, 1988). Drill-indicated proven and probable reserves were reported as 522 000 tonnes (575 000 tons) grading 10.35 g/t (0.302 oz/ton) Au ("Exploration Highlights, March 1988-Feb 1989" in Manitoba Energy and Mines, Corporation Files, 1988 miscellaneous file). The 1988 drill program was done to a depth of 366 m (1200 ft), and is currently being extended to 640 m (2100 ft). Kilborn Engineering Ltd. has completed a project review study, including preliminary financial analysis (The Northern Miner, June 20, 1988).

Memoranda of agreement were recorded between W. Bruce Dunlop Limited and George Leary in January 1990, and between Jalna Resources Ltd. (now known as Consolidated Jalna Resources Ltd.) and Grand Energy Corporation in May 1990.

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REMARKS

1. Adjoining the Nencie group to the southeast was the Elk group of 28 claims (P9410-17, 9454-73). The claims were staked by L.C. Smith, W.F. Morrison, N. Stoltz, and R.C. Brehaut in 1945 and were transferred to E.L. Brown later that year. During 1947, the survey plans of the claims were approved. Thirty drill holes totalling 903 m (2961 ft) were drilled on the Elk No. 2 claim in 1948 (Milligan 1960, p. 187); however, results are not available. In 1949 the claims were transferred to Sherritt Gordon Mines, Limited and 21-year leases (M2567-94) were issued. The claims were cancelled in January 1971. Two holes, totalling 111 m, were drilled north of this area, on CB 7577, by Granges Exploration AB in 1977; drill core assays of trace Cu, Zn, Au, Ag were reported (Non-confidential Assessment File No. 92701).

REMARKS cont'd

2. The area to the northwest of Jalna's property was staked as CB 10291-93 by W. Bruce Dunlop Ltd. in 1980 and was restaked as Lasthope 4, 7, 6 (W 45575, 78, 77) by Sherritt Gordon Mines Limited in 1982. SherrGold Inc. (name changed to LynnGold Resources Inc. in 1988) obtained the claims in 1985 and carried out mapping, magnetic and IP surveys, and lithogeochemical surveys.

Comp./Rev. By Date		GRJ	JR	PA
	8-72	9-76	09-87	01-91

MANITOBA ENERGY AND MINES | MINERAL INVENTORY FILE NO. 617

PRODUCT Copper | N.T.S. AREA 64C/11 NW | REF. CU 1

NAME OF PROPERTY:
Rush No. 2

OWNER OR OPERATOR AND ADDRESS
1991 -

Irene 1 claim:
Manitoba Mineral Resources Ltd.
603 - 491 Portage Avenue
Winnipeg, Manitoba
R3B 2E4

CB 7796:
A.L. Parres Ltd.
P.O. Box 577
Flin Flon, Manitoba
R8A 1N4

OBJECT LOCATED: Rush No. 2, Claim Post No. 1 | MINING DIVISION The Pas

Lat. 56° 41.4' | Long. 101° 25.5' | UNCERTAINTY: 500 m

Sec. | Tp. 89 | R. 25 WPM

DESCRIPTION OF DEPOSIT

Wasekwan metasediments constitute the Precambrian rocks of the deposit area (Oliver, 1952, Map 50-9). Quartzite, argillite, greywacke and derived metamorphic rocks that are locally garnetiferous, comprise this metasedimentary sequence. Drill logs describe the intersections as consisting of quartz-biotite-hornblende-feldspar-garnet paragneiss, argillite and impure micaceous quartzite.

Heavy mineralization is associated with the argillite component. From 40 to 70% pyrrhotite and 2-3% pyrite were reported for the 46.3-60.9 m (152-200 ft) intersection consisting of argillite material. For the impure micaceous quartzite, 3-5% pyrite and pyrrhotite mineralization were described. Minor amounts (less than 1%) to no mineralization are associated with the paragneiss.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located approximately 1.6 km southeast of Irene Lake, and approximately 28 km southwest of the town of Lynn Lake. Provincial Highway No. 396 bypasses the Rush property within a distance of 5 km.

The claim area of Rush No. 2 (P 91776) overlaps the claim areas of the previously staked G.T. Group, Nos. 44, 45, 56, 57 (P 14669, 70, 81, 82) and the Irene Group, Nos. 29, 30, 35, 36 (P 67655, 56, 61, 62). In 1947, G.T. Nos. 44, 45 were staked by S.V. Burr and G.T. Nos. 56, 57 were staked by Lloyd Harvey. The four claims were transferred to H.E. Martin in 1947, and were cancelled the following year.

An airborne radiometric survey was done by Eldorado Mining and Refining Limited in 1954, followed by an airborne magnetometer survey by Sherritt Gordon Mines, Limited in 1957 (Non-confidential Assessment File Nos. 91616, 91622).

Associated minerals or products of value
nickel

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

Irene Nos. 29, 30, 35, 36 (P 67655, 56, 61, 62) were staked by Ivan Miller in 1957. Irene Nos. 29, 35, 36 were transferred to A.E. Gallie soon after. Diamond drilling was done on other Irene claims, located north and west of this area, by Sherritt Gordon Mines, Limited in 1957-1958 (see Remarks). The claims lapsed soon after.

Airborne electromagnetic and magnetometer surveys were done by Selco Exploration Company Limited in 1960 (Non-confidential Assessment File No. 91626). Rush No. 2 (P 91776) was staked by J. Auston in 1961. Selco Exploration Company Limited carried out gravity and magnetometer surveys in 1961 and acquired the property in 1962 (Non-confidential Assessment File No. 91001). During January of 1962, the Company completed 119 m (391.5 ft) of diamond drilling in one drill hole (Non-confidential Assessment File No. 91001). Up to 0.10% copper and 0.08% nickel was described across a 0.9 m (3 ft) intersection at the 117 m (383 ft) depth.

Results of diamond drilling:

DDH	Footage	Description	Assay %Cu	Assay %Ni
No. 1	115.8-116.7 m (380-383')	Pyrrhotite and pyrite; no percentages of mineralization were given.	0.08	0.07
	116.7-117.6 m (383-386')	Similar	0.10	0.08
	117.6-118.5 m (386-389')	Similar	0.08	0.04
	118.5-119.3 m (389-391.5')	Similar	0.07	0.01

Airborne electromagnetic and magnetometer surveys were done by Falconbridge Nickel Mines Limited in 1962 (Non-confidential Assessment File No. 91376). The Rush No. 2 claim was cancelled in 1963.

Airborne electromagnetic and magnetometer surveys were carried out by Sherritt Gordon Mines, Limited in 1972 and by the Manitoba Government in 1976 (Non-confidential Assessment File Nos. 91696, 91990). Geological mapping was done at a scale of 1:50 000 (Zwanzig, 1977).

A.L. Parres Ltd. staked CB 7800 and CB 7796 in April 1977, and assigned them to S.M.D. Mining Co. Ltd. (a subsidiary of Saskatchewan Mining Development Corporation) in March 1979. The properties were transferred back to A.L. Parres Ltd. in September 1981. CB 7800 was cancelled in July 1989 but was restaked as Irene 1 (P 8929E) by Manitoba Mineral Resources Ltd. in August 1989.

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Map No. 10, 14, Lynn Lake district, (Generalized geology and sulphide occurrences; variations in metamorphic grade), Scale 1:126 720, compiled by G.C. Milligan, 1956-57 - Accompanying Publication by Milligan (1960), Manitoba Mines Branch.

Preliminary Map 1977 L-1 (Fox Mine) by H.V. Zwanzig, 1977; Preliminary Map 1977 L-3 (McGavock Lake area) by P. Gilbert, H.V. Zwanzig and B. McGill, 1977; (Geology), Scale 1:50 000 - Replaced by Map GP80-1-4, Manitoba Mineral Resources Division.

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Map 1759A, Granville Lake, Manitoba, (Surficial Geology), Scale 1:250 000, by C.A. Kaszycki and V.J. Nee, Geological Survey of Canada (1990).

Map 64-1983, Lynn Lake area, (Lake sediment (As, Mn, Cu, Ni, Co, Vd, F, Mo, Fe, Hg, Cd, Zn, Ag, U, Pb) and water geochemical (HCO_3, Mg, Fe, F, U, Ca, pH, conductivity) survey), Scale 1:250 000; GSC Open File 999, Geological Survey of Canada and Manitoba Energy and Mines (1983).

Map 87-1985, Lynn Lake area, (Lake sediment and water geochemical survey, Au, Sb), Scale 1:250 000; GSC Open File 1288, Geological Survey of Canada (1985).

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Maps 64C, Sample locations and striations, Scale 1:250 000; computer-generated colour contour maps, Scale 1:1 000 000, and Dot maps, Scale 1:1 500 000, for As, Au, Cr, Ni, Cu, Zn, Mn, U, Pb, Fe, by C.A. Kaszycki - Accompanying GSC Open File 2118 by Kaszycki (1989), Geological Survey of Canada.

#Claim Map Series 64C/11 NW, Scale 1:31 680, circa 1963, Mining Recording, Manitoba Mines Branch.

REMARKS

1. Sherritt Gordon Mines, Limited drilled 8 holes, totalling 673 m (2208 ft), on Irene Nos. 21, 27, 33 in 1957 and 3 holes, totalling 157 m (514 ft), on Irene Nos. 121 and 124 in 1958 (Non-confidential Assessment File No. 91000).

2. Drilling by Saskatchewan Mining Development Corporation (SMDC) on its 'Lynn Lake project' found anomalous base metal values in several areas, but the best intersection was 4.1% Zn and 0.27% Cu over 0.5 m (SMDC, Annual Report, 1980). The location of this occurrence is not known.

Comp./Rev. By	GRJ	PA
Date	01-76	02-91

MANITOBA ENERGY AND MINES | MINERAL INVENTORY FILE NO. 618

PRODUCT Copper | N.T.S. AREA 64C/11 NE | REF. CU 2

NAME OF PROPERTY:
Mail Group (Mail No. 18)

OWNER OR OPERATOR AND ADDRESS
1991 - LynnGold Resources Inc.
Lynn Lake, Manitoba
ROB 0W0

OBJECT LOCATED: Mail No. 18,
Claim Post No. 1

MINING DIVISION The Pas

Lat. 56° 44.58' Long. 101° 06.4' UNCERTAINTY: 500 m

Sec. Tp. 89 R. 23 WPM

DESCRIPTION OF DEPOSIT

The deposit is located in Precambrian metasediments, metavolcanics and interbedded volcanic, sedimentary and/or tuffaceous rocks of the Wasekwan Group (Milligan, 1960, Map No. 5). The Wasekwan rocks are intruded by gabbro, diorite and granodiorite of the Pre-Sickle Group of intrusives.

Drill logs describe intersections consisting of the following rock-types: diorite, some altered and schistose, that locally contain blue opalescent "quartz-eyes", carbonate, chlorite, and actinolite; basic to intermediate tuff, andesite, basic dykes, hornblendite and metasediments that are locally garnetiferous.

Sulphide mineralization consists of slight to 5% pyrrhotite, and pyrite, with specks of chalcopyrite. Magnetite is a common accessory. For example, an 18-foot (5.5 m) length of drill core was reported to consist of "....."nearly massive magnetite" separated by a 37-foot (11.3 m) length of diorite from a further 6 feet (1.8 m) of similar magnetite" (Milligan, 1960). This was described in drill logs for DDH No. 455.

HISTORY OF EXPLORATION AND DEVELOPMENT

The Mail Group comprises 99 mineral claims (Nos. 1-33, 71-72, 82-145) that currently are leased to LynnGold Resources Inc.. Only Mail No. 18 (P 27745) will be discussed to some detail.

The deposit area of Mail No. 18 is located between the Mail and Louise Lakes, approximately 14 km south of Lynn Lake. The C.N.R. railway bypasses the property approximately 7.5 km to the west.

Associated minerals or products of value
nickel, cobalt, zinc

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

A summary of the staking and development history is listed below for Mail No. 18 (P 27745):

Date	Activity
1953	The deposit area was recorded as Mail No. 18 by J.H. Holden.
1953	The property was assigned to A.E. Gallie.
1953, 1956	A total of 609 m (1997 ft) of diamond drilling was completed by Sherritt Gordon Mines, Limited.
1954	The claim area was surveyed. An airborne radiometric survey was done by Eldorado Mining and Refining Limited; airborne electromagnetic and magnetometer surveys were done by Canadian Nickel Company Limited (Non-confidential Assessment File Nos. 91616, 91615).
1955	An EM survey was conducted.
1957	An airborne magnetometer survey was done by Sherritt Gordon Mines, Limited in 1957 (Non-confidential Assessment File No. 91622)
1957-1960	Diamond drilling work applied to claim grouping, results of which are not known. A relief from forfeiture was granted on March 25, 1959.
Aug. 12, 1960	A.E. Gallie issued lease M 7075.
Nov. 28, 1960	Mail No. 18 was assigned to Sherritt Gordon Mines, Limited.

The 1955 EM survey outlined several minor conductors that indicated an area of disseminated mineralization. Diamond drilling during 1953, 1956, outlined the presence of sulphide mineralization (Non-confidential Assessment File No. 92120). In general, the assay values for copper, nickel and cobalt do not exceed an upper limit of 0.1%. For the 49.2-49.6 m (161.3-162.7 ft) intersection in DDH No. 421, 0.13% copper and 0.006% cobalt were reported. A rather large assay value of 18.016% cobalt was given for the 48.5-49.2 m (159.2-161.3 ft) length. This is the only value of cobalt to exceed the 0.1% upper limit.

Results of diamond drilling on Mail No. 18 are given below:

DDH	Footage	Description	%Cu	%Ni	%Co
#421 (1953)	6.4-27.2 m (21-89.1')	40-60% magnetite, minor pyrrhotite and pyrite	-	-	0.011 to 0.014
	30.5-45 m (100-147.8')	5-15% magnetite, slight sulphides	-	-	0.011 to 0.013
	48.5-49.2 m (159.2-161.3')	Nearly massive magnetite minor pyrrhotite, pyrite, slight chalcopyrite	-	-	18.016
	49.2-49.6 m (161.3-162.7')	3% magnetite, minor sulphides	0.13	-	0.006
#455 (1956)	35.7-47.2 m (117-155')	10-20% magnetite, some pyrite	0.02 to 0.05	0.01 to 0.05	-
	47.2-51.8 m (155-170')	10-15% magnetite, some pyrite, occasional chalcopyrite	0.04 to 0.05	0.02 to 0.05	-

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

Airborne electromagnetic and magnetometer surveys were carried out by Sherritt Gordon Mines, Limited in 1972 and by the Manitoba Government in 1976 (Non-confidential Assessment File Nos. 91696, 91989). Geological mapping was done at a scale of 1:50 000 (Gilbert, 1977).

Lease M-7075 was transferred to SherrGold Inc. (60% owned by Sherritt) in November 1985. Hayes Resources Inc. acquired Sherritt's share of the company and renamed it LynnGold Resources Inc. in June 1988. Hayes Resources Inc. (in which American Barrick Resources Corporation and DCC Equities Ltd. each hold a 26% interest) currently has a 62% interest in LynnGold Resources Inc. (Canadian Mines Handbook, 1989-1990). The property was cancelled in September 1990, but a relief from forfeiture was granted in December 1990.

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a) Non-confidential Assessment Files; File Nos. 90995, 90996, 91615, 91616, 91622, 91696, 91989, 92120.

b) Unpublished Information Files; 64C/10, 11.

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MAP REFERENCES

*Map 64C/11, McGavock Lake, (Topographic), Scale 1:50 000, Surveys and Mapping Branch, Ottawa.

Map 2377G, McGavock Lake, (Aeromagnetic), Scale 1:63 360, Manitoba Mines Branch and Geological Survey of Canada (1963).

Map, Lynn Lake area, (Aeromagnetic and Airborne Mark VI Input survey), Scale 1:50 000, by Questor Surveys Limited, 1976; Manitoba Mineral Resources Division.

Map 1, 3, Lynn Lake area, (Aeromagnetic and Airborne Mark VI Input survey), Scale 1:20 000, by Questor Surveys Limited, 1976; Manitoba Mineral Resources Division.

Map 35364G, Granville Lake, (Airborne Gamma Ray Spectrometry), Scale 1:250 000, Province of Manitoba, Geological Survey of Canada (1978).

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Map 64C/11h, (Aeromagnetic Vertical Gradient), Scale 1:25 000; GSC Open File 889, Geological Survey of Canada (1982).

Map 64C/11h, (Aeromagnetic Total Field), Scale 1:20 000; GSC Open File 936, Geological Survey of Canada (1983).

Map 343A, Granville Lake sheet, (Geology), Scale 1:253 440, by D.L. Downie, 1935; Geological Survey of Canada (1936).

Preliminary Map 45-14A, McVeigh Lake, (Geology), Scale 1:18 000, by J.D. Bateman, 1940 - Accompanying Paper by Bateman (1945), Geological Survey of Canada.

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Map 1016A, Reindeer Lake, Saskatchewan-Manitoba, (Geology), Scale 1:506 880, compiled by H.M.A. Rice, 1950; Geological Survey of Canada (1953).

Map No. 5, McGavock Lake, (Geology), Scale 1:63 360, compiled by G.C. Milligan, 1957 - Accompanying Publication by Milligan (1960), Manitoba Mines Branch.

Map No. 10, 14, Lynn Lake district, (Generalized geology and sulphide occurrences; variations in metamorphic grade), Scale 1:126 720, compiled by G.C. Milligan, 1956-57 - Accompanying Publication by Milligan (1960), Manitoba Mines Branch.

Preliminary Map 1977 L-3, McGavock Lake area, (Geology), Scale 1:50 000, by P. Gilbert, H.V. Zwanzig and B. McGill, 1977 - Replaced by Map GP80-1-4, Manitoba Mineral Resources Division.

Preliminary Map 1978 L-1, Lynn Lake area, (Geology), Scale 1:100 000, by H.P. Gilbert, E.C. Syme, H.V. Zwanzig, J.P. Keay and M.W. Thomas, Manitoba Mineral Resources Division.

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Preliminary Map 1984 C-2, Granville Lake, (Geology), Scale 1:250 000, compiled by H.V. Zwanzig, Manitoba Mineral Resources Division.

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MAP REFERENCES cont'd

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Map 1759A, Granville Lake, Manitoba, (Surficial Geology), Scale 1:250 000, by C.A. Kaszycki and V.J. Nee, Geological Survey of Canada (1990).

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Map 87-1985, Lynn Lake area, (Lake sediment and water geochemical survey, Au, Sb), Scale 1:250 000; GSC Open File 1288, Geological Survey of Canada (1985).

Map, North-west Manitoba, (Till Geochemical survey, As, Mn, Mo, U, Au, Pt, Fe, Cr, Ni, Zn, Cu), Scale 1:250 000; GSC Open File 1204, Geological Survey of Canada (1986).

Maps 64C, Sample locations and striations, Scale 1:250 000; computer-generated colour contour maps, Scale 1:1 000 000, and Dot maps, Scale 1:1 500 000, for As, Au, Cr, Ni, Cu, Zn, Mn, U, Pb, Fe, by C.A. Kaszycki - Accompanying GSC Open File 2118 by Kaszycki (1989), Geological Survey of Canada.

Maps, Gold in Lake sediments, Scale 1:50 000; Lake sediment (Zn, Cu, Pb, Ni, Co, Ag, Mn, As, Mo, Fe, Hg, U, F, V, Cd, Sb, W, Ba, Sn, Au) and water geochemical (U, F, Ca, Mg, As, Hg, Mn, Na, Pb, Sr, pH, alkalinity) survey, multi-element value maps, Scale 1:100 000 - Accompanying GSC Open File 1959 by Schmitt (1989), Geological Survey of Canada.

#Claim Map Series 64C/11 NE, Scale 1:31 680, circa 1960, 1974, Mining Recording, Manitoba Mines Branch.

REMARKS

During 1954, a total of 521 m (1710 ft) of diamond drilling was completed on Mail Nos. 64, 65, 69, 146 FR (P 27786, 87, 96, 30836). Only assaying for gold was reported for Mail Nos. 64, 65, and 69. The values ranged from nil to 0.34 g/t (0.01 oz/ton) gold (Non-confidential Assessment File No. 90995). The claims were allowed to lapse in 1959 and 1961.

In 1968, portions of the Mail Nos. 64, 65 claim area was restaked as Pol Nos. 2, 6 (P 4435D, 8329D). A drilling program consisting of 521 m (1710 ft) was completed during 1969 (Non-confidential Assessment File No. 90996). No assay values were reported and the claims were cancelled in 1970.

Comp./Rev. By	GRJ	PA
Date	01-76	02-91

MANITOBA ENERGY AND MINES | MINERAL INVENTORY FILE NO. 619

PRODUCT Copper | N.T.S. AREA 64C/11 NE | REF. CU 3

NAME OF PROPERTY:
Skid Group

OWNER OR OPERATOR AND ADDRESS
1991 - Open

OBJECT LOCATED: Skid No. 8, DDH No. 3 MINING DIVISION The Pas

Lat. 56° 40.9' Long. 101° 13.75' UNCERTAINTY: 500 m

Sec. Tp. 88, 89 R. 24 WPM

DESCRIPTION OF DEPOSIT

The deposit is located within Precambrian interbedded metavolcanic, metasedimentary and/or metatuffaceous rocks of the Wasekwan Group (Milligan 1960, Map No. 5).

Diamond drilling beneath the main surface sulphide showing yielded intersections consisting of sheared basic metavolcanics and basic to intermediate metatuffs; that locally are schistose or gneissic, chloritic, and banded. In addition, quartz stringers and garnets are present in places. Minor amounts of interbedded greywacke and quartzite were also reported. Up to 12% pyrrhotite, pyrite and chalcopyrite comprise the sulphide mineralization. Magnetite and carbonate are commonly associated with the sulphides.

In the drill holes beneath the other gossan occurrences, garnet and staurolite-bearing metasediments were predominant, whereas metavolcanics were relatively minor in distribution. Sulphide mineralization was negligible. "The thickest intersection of disseminated and stringer type sulphide mineralization occurs with the muscovite±kyanite schists" in a drill hole in the west part of the property (Non-confidential Assessment File No. 92791).

A diamond drill core re-logging program outlined a unit of silicic cherty rock over a length of 1372 m, which thins to the east and west; it also indicated an increase in alteration from north to south (Non-confidential Assessment File No. 92791).

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located at Boiley Lake, approximately 21 km south of the town of Lynn Lake. The C.N.R. railroad to Lynn Lake bypasses the property within a distance of 1 km, just east of Boiley Lake.

T.A. Oliver collected a rock sample from the area during a geological mapping program (1:31 680) in 1949-1950 (Milligan, 1960).

Associated minerals or products of value
zinc

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

The deposit, consisting of three sulphide surface showings near the south shore of Boiley Lake, was staked as the Skid Group in 1953. Skid Nos. 7 and 8 (P 30156, 57) were staked by Stanley Simpson, Skid Nos. 10 and 11 (P 30159, 60) by J.D. Ruttan, and Skid No. 20 (P 30169) by T. Burke-Gaffney. "The main surface showing.....consisted of stringers and disseminations of pyrite and chalcopyrite in a contorted biotite schist. Two other small outcrops, just north of the base line, also had heavy gossan stains" (Milligan, 1960, p. 189).

An EM survey of the deposit was conducted in 1953. During 1954, a drilling program, comprising 525 m (1722 ft) in 9 drill holes, was completed by Sherritt Gordon Mines, Limited (Non-confidential Assessment File No. 90997). "Four holes, about 100 feet (30.5 m) apart, were drilled under the chief surface showing and two others were drilled beneath each of the other gossan occurrences...In 1956, further drilling (2700 ft; 824 m) was done near the surface showing, and two holes were drilled near the east side of Boiley Lake" (Milligan, 1960, p. 189-190). In general, up to 10% sulphides were found in the drill holes beneath the surface sulphide showing, but the copper content was relatively low.

Results of diamond drilling on the Skid Group:

M.C.	DDH	Footage	Description	%Cu
No. 11	No. 1	17.9-19.1 m (58.9-62.5')	10% sulphides, mainly pyrrhotite, minor chalcopyrite	0.22
		19.1-20.3 m (62.5-66.7')	similar, some pyrite, 2% chalcopyrite;	0.84
		20.3-23.2 m (66.7-76.0')	slight pyrrhotite, minor chalcopyrite;	0.04
		23.2-23.6 m (76.0-77.4')	good chalcopyrite	1.80
	No. 2	4.6-6.1 m (15-20')	light pyrrhotite, minor chalcopyrite;	0.22
		6.1-7.6 m (20-25')	scattered pyrrhotite, lesser pyrite, 1% chalcopyrite;	0.62
		7.6-8.2 m (25-27')	minor chalcopyrite	0.12
		9.1-10.7 m (30-35')	streaks of pyrrhotite, minor chalcopyrite, some pyrite;	0.42
		10.7-11.4 m (35-37.5')	vuggy pyrite	0.30
No. 8	No. 3	16.8-17.5 m (55-57.5')	10% pyrrhotite, light pyrite minor chalcopyrite;	0.16
		17.5-18.2 m (57.5-59.7')	12% sulphides, with 10% chalcopyrite;	3.70
		18.2-19.8 m (59.7-65.0')	some pyrrhotite	0.11

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

Airborne surveys carried out in the area included: an airborne radiometric survey by Eldorado Mining and Refining Limited in 1954; airborne electromagnetic and magnetometer surveys by Canadian Nickel Company Limited in 1954; and an airborne magnetometer survey by Sherritt Gordon Mines, Limited in 1957 (Non-confidential Assessment File Nos. 91616, 91615, 91622).

No further work was recorded, and the claims were cancelled in 1958.

In 1969 an airborne radiometric survey was done by Dome Exploration (Canada) Limited (Non-confidential Assessment File No. 91674). Airborne electromagnetic and magnetometer surveys were carried out by Sherritt Gordon Mines, Limited in 1972 (Non-confidential Assessment File No. 91696).

In 1973, the deposit was staked as CB 5399, 5400, 5401 by J.A. Cartwright. The property was grouped and assigned to Sherritt Gordon Mines, Limited in 1973. A ground electromagnetic and magnetometer survey, geological mapping, prospecting, and a 13 hole 2240 m (7350 ft) diamond drill program was done that year (Non-confidential Assessment File Nos. 92790, 92793, 92794). Drill results for 1953 and 1973 were summarized by Sherritt Gordon Mines, Limited as follows (Non-confidential Assessment File No. 92793):

Hole No.	Assays
2	1.6 m (5.4 ft) at 0.62% Cu, tr Au
1	0.4 m (1.4 ft) at 1.80% Cu, tr Au
3	0.7 m (2.2 ft) at 3.70% Cu, 0.01 (oz/ton?) Au
9	0.8 m (2.6 ft) at 2.02% Cu, 0.04 (oz/ton?) Au
4	1.8 m (5.9 ft) at 0.12% Cu, nil Au
5	0.3 m (1.0 ft) at 1.65% Cu, tr Au
6	0.6 m (1.9 ft) at 2.35% Cu, nil Au
7	0.5 m (1.6 ft) at 0.72% Cu, tr Au
8	0.9 m (3.1 ft) at 0.07% Cu, nil Au
11	3.5 m (11.6 ft) at 0.18% Cu; 2.5 cm (1") stringers at 1.75% Cu
13	0.8 m (2.7 ft) at 0.56% Cu; 1.95 m (6.4 ft) at 0.31% Cu; 1.2 m (4.0 ft) at 0.50% Cu
14	1.1 m (3.6 ft) at 0.52% Cu; 0.1 m (0.3 ft) at 8.28% Cu
15	1.5 m (5.0 ft) at 0.18% Cu
16	1.5 m (5.0 ft) at 0.15% Cu; 0.85 m (2.8 ft) at 0.40% Cu
17	1.2 m (4.0 ft) at 0.10% Cu
18	1.6 m (5.2 ft) at 0.37% Cu
19	0.3 m (0.9 ft) at 3.03% Cu
20	0.9 m (3.0 ft) at 0.12% Cu

(note: gold assay units were not reported and are assumed to be in oz/ton).

Airborne electromagnetic and magnetometer surveys were carried out by the Manitoba Government in 1976 (Non-confidential Assessment File Nos. 91989, 91990). Geological mapping was done at a scale of 1:50 000 (Gilbert, 1977). Surface exposures were briefly examined by Fedikow and Gale (1982). In 1983, drill core was examined and detailed mapping (1:10 000) was carried out (Gale, 1983).

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

Sherritt Gordon Mines Limited carried out geological mapping (1:1200) and a lithogeochemical survey in 1982; a diamond drill core re-logging program in 1983-1984 to study the stratigraphic relationship of the alteration zones; and geological mapping (1:1200) in the west part of the property and two EMP loop surveys in 1984 (Non-confidential Assessment File Nos. 92790, 92791, 92793).

The property was transferred to Hayes Resources Inc. in April 1988, but was dropped a month later.

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Manitoba Energy and Mines, Minerals Division:
a) Non-confidential Assessment Files; File Nos. 90997, 91615, 91616, 91622, 91674, 91696, 91989, 91990, 92790, 92791, 92793, 92794.

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Comp./Rev.	GRJ	PA
By Date	01-76	02-91

MANITOBA ENERGY AND MINES — MINERAL INVENTORY FILE NO. 847

PRODUCT Copper — N.T.S. AREA 64C/11 NE — REF. CU 4

NAME OF PROPERTY:
Counsell Lake

OWNER OR OPERATOR AND ADDRESS
1991 - LynnGold Resources Inc.
Lynn Lake, Manitoba
ROB 0W0

OBJECT LOCATED: Centre of CB 6123 — MINING DIVISION The Pas

Lat. 56° 39.86' — Long. 101° 08.88' — UNCERTAINTY: 500 m

Sec. 25 — Tp. 88 — R. 24 WPM

DESCRIPTION OF DEPOSIT

The deposit is situated in Aphebian Wasekwan massive porphyritic and aphyric basalt and andesite with minor massive porphyritic dacite (Map GP80-1-4).

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located 0.8 km south of Counsell Lake and 22 km south-southwest of Lynn Lake.

N.E.J.H Nos. 11, 12, 13, 14, 19, 20 (P 15475-78, 83, 84) were staked over the deposit in 1947. "No work was done, and the claims were cancelled in 1948" (Milligan, 1960, p. 190).

Airborne surveys carried out in the area included: an airborne radiometric survey by Eldorado Mining and Refining Limited in 1954; an airborne magnetometer survey by Sherritt Gordon Mines, Limited in 1957; an airborne radiometric survey by Dome Exploration (Canada) Limited in 1969; and airborne electromagnetic and magnetometer surveys by Sherritt Gordon Mines, Limited in 1972 and by the Manitoba Government in 1976 (Non-confidential Assessment File Nos. 91616, 91622, 91674, 91696, 91989).

In 1976, Dennis Sweany staked CB 6123 over the deposit for Sherritt Gordon Mines Limited, which was participating in a joint venture with the Manitoba Government. Geological mapping was done at a scale of 1:50 000 (Gilbert, 1977).

The first hole of a drilling program conducted in 1977 "came up with a tantalizing core length of 16.5 ft (5 m) representing a horizontal width of about 12.5 ft (3.8 m) assaying 3.65% copper, 0.33% zinc, 0.025 oz (0.86 g/t) gold and 0.44 oz (15.09 g/t) silver". "A second hole was then drilled at the other end of the anomaly, about 2800 ft (853 m) away, which showed only very weak mineralization and negligible quantities of copper and zinc." "Subsequently, nine holes were drilled near the original intersection with the results varying from a low of 0.14% copper over 10 inches (25.4 cm) to a high of 1.71% copper and 0.06% zinc over five feet (1.5 m)" (Northern Miner, May 5, 1977). Some additional drilling at intermediate depth was planned; however the results were not expected to be good (Northern Miner, May 5, 1977).

Associated minerals or products of value
zinc

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

"Ground surveys" were reported to have been done in the "Counsell Lake area" under a joint venture program with Manitoba Mineral Resources Ltd. (Manitoba Mineral Resources Ltd., Annual Report, 1982-1983).

The property was transferred to Hayes Resources Inc. in April 1988 and then to LynnGold Resources Inc. (formerly SherrGold Inc., 60% owned by Sherritt) in July 1988. Hayes Resources Inc. (in which American Barrick Resources Corporation and DCC Equities Ltd. each hold a 26% interest) currently has a 62% interest in LynnGold Resources Inc. (Canadian Mines Handbook, 1989-1990).

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#Claim Map Series 64C/11 NE, Scale 1:31 680, circa 1976, Mining Recording, Manitoba Mines Branch.

REMARKS

At the annual meeting of Sherritt Gordon Mines Limited, President David Thomas stated "Despite all the rumors, the drill results to date do not make us very optimistic about this property and we haven't yet figured out how you can make a mine out of a molehill" (Northern Miner, May 5, 1977).

Comp./Rev. By	Date		
JDB	08-79	JDB	01-83
PA	02-91		

MANITOBA ENERGY AND MINES | MINERAL INVENTORY FILE NO. 620

PRODUCT Lead | N.T.S. AREA 64C/11 NW | REF. PB 1

NAME OF PROPERTY:
Bat Group (Bat, Bat No. 2, 3)

OWNER OR OPERATOR AND ADDRESS
1991 - Manitoba Mineral
Resources Ltd.
603 - 491 Portage Avenue
Winnipeg, Manitoba
R3B 2E4

OBJECT LOCATED: Bat No. 2, Claim Post No. 1 MINING DIVISION The Pas

Lat. 56° 41.45' Long. 101° 29.95' UNCERTAINTY: 500 m

Sec. Tp. 89 R. 26 WPM

DESCRIPTION OF DEPOSIT

Wasekwan metavolcanics and metasediments comprise the Precambrian rocks of the deposit area (Milligan, 1960, Map No. 5). The metavolcanics consist of plagioclase-amphibolite derived from andesite and basalt. The metasediments consist of greywacke, quartzite and derived quartz-biotite-hornblende-feldspar gneisses and schists that are locally garnetiferous. Oliver (1952) also included argillite in this sedimentary sequence.

Drill logs describe intersections consisting of argillite (greywacke), quartzite, biotite-quartz-feldspar-(garnet)-(chlorite)-(epidote) schists, amphibolite, and acid intrusive rock (granodiorite?).

In general, the mineralization is associated with argillite, quartzite, or with the quartz veining found in schist. The mineralization consists of disseminated pyrrhotite, pyrite and arsenopyrite. In addition, rarer occurrences of galena (up to 3%) were reported.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located approximately 1 km east of Sarah Lake, and approximately 33 km southwest of the town of Lynn Lake. Provincial Highway No. 396 bypasses the Bat property within a distance of 7 km.

The claim area of the Bat Group overlaps the four claim areas of the previously staked P.T. Group (Nos. 39-42), and the five claim areas of the previously staked Dun Group (Nos. 71, 72, 79, 80). P.T. Nos. 39, 40, 41, 42 (P 15405, 06, 07, 08) were staked by Rene Lavallee in 1947 and were cancelled in 1948. T.A. Oliver collected a rock sample from the area during a geological mapping program (1:31 680) in 1949-1950 (Milligan, 1960).

Airborne surveys carried out in the area included: a radiometric survey by Eldorado Mining and Refining Limited in 1954; airborne electromagnetic and magnetometer surveys by Canadian Nickel Company Limited in 1954; and an airborne magnetometer survey by Sherritt Gordon Mines, Limited in 1957 (Non-confidential Assessment File Nos. 91616, 91615, 91622)

Associated minerals or products of value
gold, zinc, silver

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

Dun Nos. 71, 72, 73, 79, 80 (P 70244, 45, 46, 52, 53) were staked in 1958 by J. Marshall and were cancelled the following year. No development work was recorded for the claim group.

In 1960, airborne electromagnetic and magnetometer surveys were done by Selco Exploration Company Limited (Non-confidential Assessment File No. 91626). Bat M.C., Bat No. 2, 3 (P 87832, 34, 35) were staked by D.E. MacDonald in 1961.

From September to December of 1961, a total of 863 m (2832 ft) of diamond drilling was completed by Selco Exploration Company Limited in eleven drill holes on the Bat Group (Bat M.C., Bat No. 2, 3) (Non-confidential Assessment File No. 90998). Up to 40% pyrrhotite, 20% pyrrhotite and pyrite, 15% arsenopyrite, and 2-3% galena were described across some 0.3-1.5 m (1-5 ft) intersections. The best assays reported were 42.51 g/t (1.24 oz/ton) Au, 178.29 g/t (5.20 oz/ton) Ag, 2.11% Pb, and 0.32% Zn across a 0.7 m (2.2 ft) intersection at the 79.6 m (261 ft) depth in DDH No. 2 on Bat No. 2. In addition, 193.03 g/t (5.63 oz/ton) Ag and 2.89% Pb were described across 0.5 m (1.5 ft) at the 5.6 m (18.5 ft) depth in DDH No. 3 on Bat No. 2.

Results of diamond drilling (Bat No. 2):

			Assay			
			Au	Ag	Pb	Zn
DDH	Footage	Description	oz/ton	oz/ton	%	%
#2	250-255'	20% pyrrhotite + pyrite	0.01	0.16	-	-
	258.5-261.5'	15% pyrrhotite + pyrite, specks of arsenopyrite	0.01	0.24	-	-
	261.5-263.7'	galena, with pyrrhotite, arsenopyrite, and some sphalerite	1.24	5.20	2.11	0.32
	263.7-266.7'	pyrrhotite + pyrite	0.01	0.26	-	-
	310-315'	35-40% pyrrhotite + pyrite	0.01	0.24	-	-
	315-320'	30-40% pyrrhotite, some pyrite, 1-2% arsenopyrite	0.01	0.28	-	-
#3	16.2-18.5'	disseminated pyrrhotite	0.04	Tr	0.20	-
	18.5-20'	2-3% galena, 10-15% arsenopyrite	0.06	5.63	2.89	
	20-22'	5% pyrrhotite	Tr	0.12	0.10	-
#6	43-44.25'	2-3% galena, some sphalerite	0.01	1.10	1.14	0.37

Airborne electromagnetic and magnetometer surveys were done by Falconbridge Nickel Mines Limited in 1962 (Non-confidential Assessment File No. 91376). The Bat claims were transferred to Selco Exploration Company Limited in 1963 but were cancelled in 1965.

In 1970, a portion of the Bat Group was subsequently staked as CB 1610 by T. Burke-Gaffney. The claim block was cancelled in 1972.

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

Airborne electromagnetic and magnetometer surveys were carried out by Sherritt Gordon Mines, Limited in 1972 and by the Manitoba Government in 1976 (Non-confidential Assessment File Nos. 91696, 91990). Geological mapping was done at a scale of 1:50 000 (Zwanzig, 1977).

A.L. Parres Ltd. staked CB 7770 in 1977, and restaked it as CB 10982 (Lew 2) in 1980. The claim block lapsed in 1982.

The area was restaked as Suttie 35, 36 (W 48145, 46) by Manitoba Mineral Resources Ltd. in 1983.

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Map No. 5, McGavock Lake, (Geology), Scale 1:63 360, compiled by G.C. Milligan, 1957 - Accompanying Publication by Milligan (1960), Manitoba Mines Branch.

Map No. 10, 14, 15, Lynn Lake district, (Generalized geology and sulphide occurrences; variations in metamorphic grade; quartz vein occurrences), Scale 1:126 720, compiled by G.C. Milligan, 1956-57 - Accompanying Publication by Milligan (1960), Manitoba Mines Branch.

Preliminary Map 1977 L-1 (Fox Mine) by H.V. Zwanzig, 1977; Preliminary Map 1977 L-3 (McGavock Lake area) by P. Gilbert, H.V. Zwanzig and B. McGill, 1977; (Geology), Scale 1:50 000 - Replaced by Map GP80-1-4, Manitoba Mineral Resources Division.

Preliminary Map 1978 L-1, Lynn Lake area, (Geology), Scale 1:100 000, by H.P. Gilbert, E.C. Syme, H.V. Zwanzig, J.P. Keay and M.W. Thomas, Manitoba Mineral Resources Division.

Map GP80-1-4, McGavock Lake, (Geology), Scale 1:50 000, by H.P. Gilbert, H.V. Zwanzig, B. McGill and H.D.M. Cameron - Accompanying Paper by Gilbert et al. (1980), Manitoba Mineral Resources Division.

Preliminary Map 1984 C-2, Granville Lake, (Geology), Scale 1:250 000, compiled by H.V. Zwanzig, Manitoba Mineral Resources Division.

Bedrock Geology Compilation Map Series, NTS 64C, Granville Lake, (Geology), Scale 1:250 000, Manitoba Energy and Mines (1986).

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Map 87-1985, Lynn Lake area, (Lake sediment and water geochemical survey, Au, Sb), Scale 1:250 000; GSC Open File 1288, Geological Survey of Canada (1985).

Map, North-west Manitoba, (Till Geochemical survey, As, Mn, Mo, U, Au, Pb, Fe, Cr, Ni, Zn, Cu), Scale 1:250 000; GSC Open File 1204, Geological Survey of Canada (1986).

Maps 64C, Sample locations and striations, Scale 1:250 000; computer-generated colour contour maps, Scale 1:1 000 000, and Dot maps, Scale 1:1 500 000, for As, Au, Cr, Ni, Cu, Zn, Mn, U, Pb, Fe, by C.A. Kaszycki - Accompanying GSC Open File 2118 by Kaszycki (1989), Geological Survey of Canada.

#Claim Map Series 64C/11 NW, Scale 1:31 680, circa 1963, Mining Recording, Manitoba Mines Branch.

Comp./Rev. By Date	GRJ 01-76	PA 02-91

MANITOBA ENERGY AND MINES — MINERAL INVENTORY FILE NO. 621

PRODUCT GOLD — N.T.S. AREA 64C/12 SW — REF. AU 1

NAME OF PROPERTY:
Caimito Group

OWNER OR OPERATOR AND ADDRESS
1990- LynnGold Resources Inc.
Lynn Lake, Manitoba
ROB OWO

OBJECT LOCATED: Caimito M.C. Post No. 2 — MINING DIVISION The Pas

Lat. 56° 34.95' — Long. 101° 51.20' — UNCERTAINTY: 500 m

Sec. — Tp. 87 — R. 28 WPM

DESCRIPTION OF DEPOSIT

The area is underlain by Precambrian Wasekwan Group metavolcanic and metasedimentary rocks, derived schists and gneisses. These rocks are intruded by pre-Sickle intrusive rocks (granodiorite) and post-Sickle pegmatites.

The occurrence consists of a gold-bearing quartz-filled shear that occurs within plagioclase amphibolite (Stewart and Brewer, 1984). Mineralization is localized along fractures in the quartz, either adjacent to contacts with the wall rocks or adjacent to inclusions of wall rocks within the quartz. It comprises pyrite, pyrrhotite, minor chalcopyrite and rarely galena. Milligan (1960) reported that spectroscopic analysis of drill core indicated the presence of gallium.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located on the largest island on the south shore of Laurie Lake and the adjacent parts of the mainland, approximately 57 km southwest of Lynn Lake and approximately 14 km southwest of the Fox Mine (previously owned by Sherritt Gordon Mines Limited).

The Caimito Group consisted of eight surveyed claims, Caimito M.C., Caimito Nos. 2-8 (P 4156, 4155, 4261-63, 4315, 4385, 4386), that were under lease to Caimito Gold Mines Limited (Lease Nos. M1158-M1165). At one time, there were four additional unsurveyed claims, Caimito Nos. 9-12 (P 4905-06, 4561-62).

The staking history of the Caimito Group is as follows:

Claim	Claim No.	Date	Staker
Caimito M.C.	P. 4156	1937	J.D. Christie
Caimito No. 2	P. 4155	1937	J.D. Christie
Caimito No. 3	P. 4261	1938	J.D. Christie
Caimito No. 4	P. 4262	1930	Mrs. W.J. Christie
Caimito No. 5	P. 4263	1938	Mrs. W.J. Christie
Caimito No. 6	P. 4315	1938	J.D. Christie
Caimito No. 7	P. 4385	1938	G.A. McPhillips
Caimito No. 8	P. 4386	1938	G.A. McPhillips

Caimito No. 4, 5, 7, 8 were transferred to J.D. Christie in 1938.

Associated minerals or products of value
copper, gallium, silver

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

A summary of the property development completed on the group:

Date	Activity
1938	Grouping and rock trenching;
1939	Surveying of Caimito M.C., Caimito Nos. 2-8 claims; the unsurveyed claims, Caimito Nos. 9-12 (P 4905-06, 4561-62) were staked that year by J.D. Christie.
1939	Grouping with reported diamond drilling; in June 1939, 152 m (500 ft) of diamond drilling was done on the Caimito 2, 3, 5, 6, 8 claims (Manitoba Mines Branch, 12th Annual Report, p. 42).
1940	Grouping, rock trenching and diamond drilling;
August 1940	Geological mapping (1:6000) was done by W.J. Farley (Milligan, 1952, p. 28; Manitoba Energy and Mines, Unpublished Information File, 64C/12).
Oct. 28, 1940	Transfer to Caimito Gold Mines Limited;
May 1, 1941	Caimito M.C., Caimito Nos. 2-8 were leased (lease nos. M1158-M1165);
1948	Caimito Nos. 9-12 (P 4905-06, 4561-62) were cancelled.
May 1, 1962	Renewal of the leases.

The claim area of Caimito Nos. 9-12 overlapped portions of the subsequently staked claim areas of the Tar Group. Tar Nos. 3-6, 11, 12 (P 91636-39, 91644-45) were staked by Roy Willis in 1961. They were transferred to Hudson Bay Exploration and Development Company Limited in the same year and were cancelled the following year.

Development work on the Caimito Group was concentrated mainly on both sides of the narrow channel which separates the island from the mainland. The following results have been reported:

1. A chip sample from a pit on the eastern bank of the channel sampled by M.S. Stanton in 1948 showed 1.03 g/t (0.03 oz/ton) of gold over a width of 1.4 m (4 feet 7 inches) (Milligan, 1952).
2. The Northern Miner (August 15, 1940, p. 24) reported the results of assays of core from the deepest drill that was located at the southern end of the channel. Trace quantities to 2.74 g/t (0.08 oz/ton) of gold were reported for the 24.4 - 52.7 m (80 ft - 173 ft) length of core. About 61 m (200 ft) from this hole, at the north end of the west shear, a 30.5 m (100 ft) deep drill hole returned up to 1.37 g/t (0.04 oz/ton) Au over 12 m of core (The Northern Miner, August 15, 1940). Two boxes of drill core (7.6 m (25 ft)) from the property showed values of up to 11.31 g/t (0.33 oz/ton) Ag (Manitoba Energy and Mines, Unpublished Information File). A third hole, drilled into the lake for 45.7 m (150 ft), intersected 6 m (20 ft) of smoky quartz carrying low gold values; carbonate, calcite, ankerite and quartz porphyry were also intersected (Manitoba Energy and Mines, Unpublished Information File; see also The Northern Miner, August 15, 1940).
3. About 4.6 m (15 ft) from the 45.7 m (150 ft) drill hole, on the west side of the channel, near the south end of the west shear, pit samples mineralized with pyrite and chalcopyrite returned $25.20, $19.60, $9.10 and $6.30 (gold price at the time was $35) (Unpublished Information File, 64C/12). Grab samples from a pit on the west side of the channel were

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

3.(cont'd)
reported to have assayed from 2.06 g/t to 19.19 g/t (0.06 oz/ton to 0.56 oz/ton) of gold (Milligan, 1952). A cross trench on the west shear was extended from 23 m to 38 m (75 ft to 125 ft) since the mapping by J. Farley (Unpublished Information File, 64C/12).

4. In 1953, most of the area of the group was flooded when the Eager Lake dam was erected. Prior to the flooding, Sherritt Gordon Mines, Limited drilled several holes in 1951 on behalf of Caimito Gold Mines Limited. The holes were drilled under the quartz showings previously described. Some copper showings were described, and they occur as stringers of chalcopyrite in greenstone. One of the holes was drilled from the north end of the channel on the east side in a northwesterly direction under the lake to a depth of 140 m (460 ft) (Milligan, 1952). The best sections gave the following values:

	Assays	
Footage	Copper (%)	Gold (g/t)
121-121.3 m (397-398')	1.21	2.51
121.3-121.6 m (398-399'2")	2.18	1.25
121.6-121.9 m (399'2"-400'2")	1.21	Tr.
121.9-122.6 m (400'2"-402'4")	0.40	0.63

An airborne EM/Mag survey was carried out by Sherritt Gordon Mines, Limited in 1972 under Airborne Permit No. 105 (Non-confidential Assessment File No. 91696). In 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990).

The Caimito claims lapsed in 1977. Reconnaissance mapping (1:63 360) was done by Falconbridge Nickel Mines Limited in 1977 under a joint venture agreement with the Manitoba Government (Non-confidential Assessment File No. 92217).

Sherritt Gordon Mines Limited staked CB 11409 (Isle 1) in August 1981.

Sherritt Gordon Mines Limited was renamed Sherritt Gordon Limited in April 1988. The property was transferred to Hayes Resources Inc. that month. Hayes Resources Inc. was owned by American Barrick Resources Corporation, DCC Equities Ltd. (a subsidiary of Dynamic Capital Corporation) and International Pursuit Corporation (Winnipeg Free Press, February 12, 1988). According to the Canadian Mines Handbook (1988-89): American Barrick Resources Corporation and DCC Equities Ltd. each held approximately a 50% interest in Hayes Resources Inc. in March 1988.

In July 1988, the property was transferred to LynnGold Resources Inc. (formerly SherrGold Inc., which was 60% owned by Sherritt). Hayes Resources Inc. controls 62% of LynnGold Resources Inc. (Canadian Mines Handbook, 1989-90). In March 1989, American Barrick Resources Corporation and DCC Equities Inc. each held a 26% interest in Hayes Resources Inc. (Canadian Mines Handbook, 1989-90).

LynnGold Resources Inc. filed for bankruptcy in 1989 (Canadian Mines Handbook, 1990-91).

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Map, North-west Manitoba, (Till Geochemical survey), Scale 1:250 000; GSC Open File 1204, Geological Survey of Canada (1986).
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Claim Map Series 64C/12 SW, Scale 1:31 680, Circa 1947, 1974, Mining Recording, Manitoba Mines Branch.

REMARKS

1. In the course of routine testing of the drill cores, spectroscopic analysis indicated 0.02% gallium (Milligan, 1960, p. 197).
2. About 8 km SW, a grab sample returned 1.03 g/t (0.03 oz/ton) Au (#360; Milligan, 1960, p. 289).
3. Stewart and Brewer (1984) examined a lens of pyrite-chalcopyrite mineralization in this area.

Comp./Rev.	AJM	GEJ	JR	PA
By Date		12-75	09-87	11-90

MANITOBA ENERGY AND MINES — MINERAL INVENTORY FILE NO. 622

PRODUCT Copper — N.T.S. AREA 64C/12 NE — REF. CU 1

NAME OF PROPERTY:
Fox Mine (Fox No. 11)

OWNER OR OPERATOR AND ADDRESS
1990- LynnGold Resources Inc.
Lynn Lake, Manitoba
R0B 0W0

OBJECT LOCATED: Map symbol — MINING DIVISION The Pas

Lat. 56° 38.11' — Long. 101° 39.10' — UNCERTAINTY: 500 m

Sec. — Tp. 88 — R. 27 WPM

DESCRIPTION OF DEPOSIT

The deposit consists of a large body of massive and semi-massive sulphides in a series of Precambrian volcanic (greenstone) and interbedded sedimentary rocks, about 1.6 km (1 mi) west of their contact with the Snake Lake gabbroic intrusive. Pyrite is the main sulphide mineral present, with smaller amounts of chalcopyrite, sphalerite and pyrrhotite. Surface diamond drilling indicated an orebody approximately 411.5 m (1350 ft) long and 18.3 m (60 ft) wide. Subsequent underground diamond drilling indicated that the orebody in the lower levels consists of 2 sections, with a barren zone between.

The orebody was about 33.5 m (110 ft) wide at the centre tapering toward the ends. The alteration zone that envelopes the ore zone is approximately 76.2 m (250 ft) wide and 548.6+ m (1800+ ft) long with a general ENE strike; and it extends to below the 869 m (2850 ft) level. This zone, which consists of quartz-muscovite gneiss, biotite-sericite gneiss and biotite-amphibolite gneiss, dips steeply, parallel to the enclosing quartz-hornblende gneiss and quartz-hornblende-biotite gneiss - part of the isoclinally folded strata, deeply dipping to the northwest and overturned to the south with the axial plane trending 075°. These Wasekwan Group with subordinate Sickle Group rocks have been generally metamorphosed to the almandine-amphibolite facies although some retrograde greenstone schist facies rocks occur in the immediate vicinity of the ore zone. Diorite-gabbro dykes occur in a zone along the southern margin of the alteration zone that envelopes the ore.

Approximately 70% of the ore zone is composed of massive sulphides with the remaining 30% disseminated sulphides. The massive ore consists of pyrite with varying proportions of interstitial pyrrhotite, chalcopyrite, sphalerite, arsenopyrite and inclusions of quartz-feldspar gangue. The disseminated ore consists of the same sulphide assemblage but contains a higher percentage of silicate minerals.

"The distribution of copper and zinc is generally inversely proportional. Higher copper values occur in the core, eastern extremity and western mid-section of the ore zone. The zinc values are found along the footwall and hanging wall contacts and concentrated on the western side of the copper zone. The copper grades increase with depth and zinc grades decrease." (Fox Mine Report, Sherritt Gordon Mines Limited).

Associated minerals or products of value
zinc, gold, silver, pyrite, cadmium

HISTORY OF EXPLORATION AND DEVELOPMENT

The Fox Lake property is located 45 km southwest of Lynn Lake and is accessible via Provincial Highway No. 396 from Lynn Lake west. McVeigh Siding, 29 km northeast of the Fox Mine, is the nearest railway station.

The area was first staked under the Fox group of claims in 1947. Stanton (1949) reported "a sparse dissemination of fine pyrrhotite" and a "magnetic anomaly" in the area. The claims lapsed in 1948.

An airborne EM/Mag survey was carried out by Canadian Nickel Company Limited in 1954 under Airborne Permit No. 5 (Non-confidential Assessment File No. 91615). Another airborne EM/Mag survey was carried out by Selco Exploration Company Limited in 1960 under Airborne Permit No. 31 (Non-confidential Assessment File No. 91626).

Airborne electromagnetic and magnetic surveys done by Sherritt Gordon Mines, Limited in 1960 indicated several anomalies in the area. A ground EM survey in January 1961 located one of the anomalies - a copper-zinc deposit at Fox Lake. The first diamond drill hole on the anomaly intersected 39.7 m of mineralization averaging 0.45% Cu.

The property was staked (88186) in February 1961 by R.D. Falconer, and assigned to J.E. Muter in December of the same year. Early in 1961, Sherritt Gordon Mines, Limited let a contract to Canadian Longyear for diamond drilling on the sulphide deposit. Erratic values in copper and zinc resulted from X-ray drilling. By the end of 1961, a 41-hole 8014 m (26 292 ft) diamond drill program outlined the deposit to a depth of 305 m (1000 ft). Milling tests indicated high recoveries and good separation of copper and zinc, so to protect the area, Sherritt Gordon staked blocks of claims. Surface drilling during the next 4 years indicated reserves of 11 133 400 tonnes (12 269 000 tons) averaging 1.75% Cu and 2.35% Zn to the 610 m (2000 ft) level.

In 1962 and 1963, a limited amount of work, chiefly surveys, was done in connection with Fox Lake. In 1964, a stripping job was undertaken in preparation for selection of a shaft site. A program of deep drilling showed that the deposit continued to depth: three holes intersected the deposit at depths of 457-564 m (1500-1850 ft); average grade was 1.63% Cu, 1.23% Zn across a horizontal width of 13 m (43 ft) (Gobert, 1965). In the same year, a winter road was cut from Fox Lake to Lynn Lake.

In May 1965, the property was assigned to Sherritt Gordon Mines, Limited (N.P.L.) and a large scale underground development program began. In addition to reserves of 11 133 400 tonnes, a large tonnage of massive pyrite carrying 0.41% Cu and 2.38% Zn was discovered in the walls of the deposit.

In October 1966, a 21-year lease (M-6001) was issued to Sherritt Gordon. The mining plant from the EL mine at Lynn Lake was transported to Fox Lake and re-erected. A portion of the orebody was stripped off and approximately 907 tonnes (1000 tons) of ore was quarried and transported to Lynn Lake for test purposes.

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

In 1967, the shaft was sunk to 405 m (1327 ft) and levels were established at 122, 244 and 366 m (400, 800 and 1200 ft) below surface. Copper, zinc and pyrite concentrates were produced from sulphides in the pilot mill (the pyrite was shipped to Fort Saskatchewan for experimental work). The ore was not difficult to mill, being similar in this respect to the ore from the old mine at Sherridon, Manitoba. Concentrates from Fox would be trucked 29 km from the mine to McVeigh Siding. Surface lease M-123 was issued to Sherritt Gordon in 1967.

In 1968, agreement was made with Mitsubishi Metal Mining Company Limited, and Mitsubishi Shoji Kaisha Limited of Japan for sale of the total output of copper concentrate from the Fox Mine for the first ten years production. Agreement for the sale of zinc concentrate for the first five years of production was made with Hudson Bay Mining and Smelting Co., Limited, Flin Flon, Manitoba.

During 1968, the production shaft was completed to 713 m (2340 ft) and lateral development work and underground diamond drilling were started. Crosscuts on the 366, 488 and 610 m (1200, 1600 and 2000 ft) levels were driven through the orebody, and footwall drifts were started to the east on the 488 and 610 m levels. Diamond drill intersections on these two levels partially defined the orebody. The western section of the orebody was located but not defined. The transmission line from the Laurie River generating station to the Fox Mine was finished, and a spur road was built to McVeigh Siding on the CN Railway.

In 1969, underground development included 3450 m (11 320 ft) of drifting, 2041 m (6695 ft) of raising, and 12 649 m (41 499 ft) of diamond drilling. Crosscuts were driven to the orebody on the 122 and 244 m (400 and 800 ft) levels. The "A" rock hoist from Lynn Lake was moved to the Fox Mine and erected for use as the main hoist.

Construction at Fox was completed by May, 1970 and the official opening took place in September. "The orebody is divided along its strike length into 100-foot (31 m) stopes, separated by 45-foot (14 m) pillars which extend from footwall to hanging wall. The method of mining the ore is blasthole open stoping with delayed fill" (Fox Mine Report (April 1976), Sherritt Gordon Mines Limited). Ore was drawn from two stopes on the 366 m (1200 ft) and 610 m (2000 ft) levels. Diamond drilling in the west end of the orebody, together with regular outline drilling, added to the ore reserves.

In 1971, the Fox Mine fulfilled expectations, operating at a designed capacity of 2722 tonnes (3000 tons) daily - producing a copper concentrate assaying 25% Cu and 1.6% Zn, and a zinc concentrate assaying 51.0% Zn and 1.6% Cu. Minor amounts of gold and silver were recovered from the copper concentrate, and minor cadmium from the zinc concentrate. Backfilling of the first stope started towards the end of the year, and diamond drilling below the 610 m (2000 ft) level outlined additional ore down to the 914 m (3000 ft) level. Calculated reserves below the 610 m (2000 ft) level were 2 958 300 tonnes (3 260 000 tons) averaging 2.83% Cu and 1.35% Zn. Total indicated ore reserves at the end of 1971 were 13 157 900 tonnes (14 500 000 tons) averaging 1.99% Cu and 2.35% Zn.

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

An airborne EM/Mag survey was carried out by Sherritt Gordon Mines, Limited in 1972 under Airborne Permit No. 105 (Non-confidential Assessment File No. 91696).

In 1973, work commenced on deepening the mine from the 610 m (2000 ft) to the 671 m (2200 ft) level by means of an access decline. By the end of the year, Sherritt Gordon took over much of the development work which had been performed by a contractor. More detailed underground diamond drilling reduced the ore reserves to 10 707 800 tonnes (11 800 000 tons) averaging 2.03% Cu and 2.15% Zn. Rock geochemical sampling was done at 6-31 m (20-100 ft) intervals for a distance of 518 m (1700 ft) across the orebody at the 640 m (2100 ft) level crosscut to study sulphide haloes and wall rock alteration associated with the deposit (Stephenson, 1973).

In 1974, the decline was completed to the 671 m (2200 ft) level, and stope development work commenced below the 610 m (2000 ft) level. In 1975, exploratory drilling was being planned for the entire property (Sherritt Gordon, Annual Report 1975).

Production leases P.L. 10 to 13 were issued to Sherritt Gordon Mines Limited in 1975. The access decline was being extended to the 732 m (2400 ft) level that year. Also in 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990). Underground mapping at the 640 m (2100 ft) level, surface mapping, as well as logging and sampling of five drill holes was carried out by Lustig (1979). An alteration zone study using samples from the 640 m level was done by Turek et al. (1976) and a mineralogical study was done by Grice (1976).

In 1977, the access decline was completed to the 732 m level and a drilling program was done at that level. Early results were 'encouraging'. Pillar recovery supplied 58% of the total mine output in 1977. Surface geological mapping (1:50 000) was carried out by Zwanzig (1977). Reconnaissance mapping (1:63 360) and rock geochemical sampling was done by Falconbridge Nickel Mines Limited in 1977 under a joint venture agreement with the Manitoba Government (Non-confidential Assessment File No. 92217).

Development work in 1978 was mainly related to stope access and preparation. A stoping method using 16.5 cm (6.5 inch) diameter blastholes was successfully introduced. Work continued on deepening the mine to the 762 m (2500 ft) level to facilitate drilling to 1052 m (3450 ft).

In 1979 the decline was deepened to the 756 m (2480 ft) level and drilling done on that level was 'inconclusive', although all six holes intersected the ore horizon, with the deepest intersection at 1219 m (4000 ft). The first two holes intersected mineralization between 914 m and 1036 m (3000 and 3400 ft). Another hole intersected mineralization near 1097 m (3600 ft). According to the Canadian Mining Journal (December 1979, p. 13), deep drilling in the eastern extension of the mineralized zone gave 'negative' results. Development of the west lens stope was underway on the 610 m (2000 ft) level in 1979, and mineable tonnages were found. Surface drilling and geophysical surveys continued that year.

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

In 1980, the access decline was completed to the 792 m (2600 ft) level and access drifts were being developed to the west lens and the main ore zone at that level. Surface exploration drilling to the south and west of the main ore zone was continuing, as well as reconnaissance geological and geochemical exploration work. An I.P. survey of the area was started that year.

In 1981, the main haulage decline was completed to the 823 m (2700 ft) level and access drifts to the main lens and west lens stopes at the 792 m level and to the west lens stope at the 671 m (2200 ft) level were completed.

The installation of a borehole hoisting system to hoist ore from the 853 m (2800 ft) and 792 m (2600 ft) levels to the 610 m (2000 ft) level was started in 1982. The mine was shut down for 15 weeks on June 19, 1982.

The borehole hoist installation was completed in May 1983 and the access decline was completed to the 853 m (2800 ft) level that year. It was announced that the mine would close in three years (Winnipeg Free Press, April 12, 1983).

A study was undertaken by Sherritt Gordon Mines Limited, University of Manitoba and the Manitoba Government to document the geological setting of the Fox Mine area and to assess the potential for finding similar mineralization in the surrounding area (Olson, 1984). Mapping and sampling was done in a 3 sq km area and ten exploration drill holes were re-logged.

High grade copper ore in the lower levels couldn't be mined due to unstable ground conditions (Sherritt Gordon, Third Quarter Report, 1984). The mine closed on November 29, 1985. A total of 11 958 182 tonnes of ore grading 1.82% Cu and 1.78% Zn were milled to closure (Olson, 1987).

In April 1988, Sherritt Gordon Mines Limited was renamed Sherritt Gordon Limited. The property was transferred to Hayes Resources Inc. in June 1988. Hayes Resources was owned by American Barrick Resources Corporation, DCC Equities Ltd. (a subsidiary of Dynamic Capital Corporation) and International Pursuit Corporation (Winnipeg Free Press, February 12, 1988). American Barrick Resources Corporation and DCC Equities Ltd. each held approximately a 50% interest in Hayes Resources Inc. in March 1988 (Canadian Mines Handbook, 1988-89).

Hayes Resources Inc. purchased Sherritt Gordon's controlling shares in SherrGold Inc. for $17 million and renamed the company LynnGold Resources Inc. (Northern Miner, November 6, 1989). LynnGold Resources Inc. purchased mine and mill assets of the Fox Mine from Hayes Resources and acquired mineral rights to the property in July 1988.

In March 1989, American Barrick Resources Corporation and DCC Equities Ltd. each held a 26% interest in Hayes Resources Inc., which controls 62% of LynnGold Resources Inc. (Canadian Mines Handbook, 1989-90). LynnGold Resources Inc. filed for bankruptcy on December 8, 1989 (Globe and Mail, December 15, 1989); the company's assets (including buildings and equipment of the Fox Mine) were recently offered for sale by their appointed trustee in bankruptcy, Touche Ross Limited (Northern Miner, January 29, 1990).

HISTORY OF PRODUCTION

Production at Fox commenced in 1970, and by 1971, it was operating at the rate of 0.9 million tonnes (1 million tons) per year. Method of mining is by sublevel open stoping. High recoveries and separation of the copper and zinc can be made, with copper concentration running better than 25% and zinc concentrates running 50% Zn. Minor amounts of gold and silver were recovered from the copper concentrate, and minor cadmium from the zinc concentrate. Table 1 gives production figures from 1970 to 1985. Table 2 gives ore reserve figures from 1964-1984.

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HISTORY OF PRODUCTION cont'd

Table 1. Production figures, 1970-1985.

Year	(000) Tons (tonnes) Milled	% Cu	% Zn	Cu Conc. (000 lbs)	Zn Conc. (000 lbs)	Cash Prod. /Ton
1970	389 (353)	3.07	1.13	20 545	192	
1971	1 022 (927)	2.86	1.54	55 039	11 318	$7.34
1972	946 (858)	2.14	1.40	36 256	10 898	$8.08
1973	963 (874)	2.01	2.07	34 631	16 703	$9.65
1974	1 008 (915)	2.10	1.98	39 239	18 799	12.70
1975	1 007 (914)	1.74	1.81	31 493	21 750	14.94
1976	832 (755)	1.56	1.68	24 232	18 904	
1977	890 (808)	1.46	1.93	24 042	24 841	
1978	964 (875)	1.31	1.79	22 349	25 206	
1979	852 (773)	1.19	1.82	18 108	23 097	
1980	864 (784)	1.40	1.56	21 458	18 152	
1981	809 (734)	1.42	1.73	20 486	19 341	
1982*	471 (427)	1.76	1.77	15 270	11 443	
1983	611 (554)	2.1	1.94	23 812	16 745	
1984	731 (663)	1.62	2.2	20 986	24 782	
1985	231 (210)	1.88	2.09 (1st quarter production)			
1985	224 (203)	1.77	2.14 (2nd quarter production)			

*37 weeks production

Source: Sherritt Gordon Mines Limited, Annual Reports.

Table 2. Ore reserves (undiluted), 1964-1984.

Year	(000) Tons (Tonnes)	% Cu	% Zn	Ag g/tonne (oz/ton)*	Au g/tonne (oz/ton)*
1964	12 100 (10 980)	1.72	2.28		
1965-68	12 269 (11 133)	1.74	2.35		
1969	11 300 (10 254)	1.96	2.74		
1970	13 100 (11 887)	1.84	2.70		
1971	14 500 (13 158)	1.99	2.35		
1972	13 300 (12 069)	2.01	2.23		
1973	11 800 (10 708)	2.03	2.15		
1974	10 700 (9 710)	1.95	2.07	10.29 (0.3)	0.34 (0.01)
1975	8 700 (7 895)	1.92	2.08	10.29 (0.3)	0.34 (0.01)
1976	7 836 (7 111)	1.95	2.10	13.71 (0.4)	0.34 (0.01)
1977	7 093 (6 436)	1.83	2.12	10.29 (0.3)	0.34 (0.01)
1978	6 333 (5 747)	1.79	2.22	5.14 (0.15)	0.17 (0.005)
1979	5 917 (5 369)	1.77	2.21	4.69 (0.137)	0.17 (0.005)
1980	5 411 (4 910)	1.78	2.29	5.14 (0.15)	0.27 (0.008)
1981	2 608 (2 367)	1.94	1.59		
1982	1 910 (1 733)	2.34	1.58	14.06 (0.41)	0.48 (0.014)
1983	1 299 (1 179)	2.47	1.57		
1984*	696 (632)	1.80	2.42	9.94 (0.29)	0.34 (0.01)

Source:
Sherritt Gordon Mines Limited, Annual Reports.
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REMARKS

By December 31, 1972, of the outstanding shares, 36% was held by Newmont Mining Corporation and 53% was held by Canadians (Task Force, 1974).

A symbol locating the mine is printed on Figure 30 (see Davies et al., 1962).

Note: ten holes on 'a claim group' near the Fox Mine intersected a 'potentially mineable zone containing copper and zinc' (Sherritt Gordon Mines Limited, Annual Report 1979).

Comp./Rev. By	Date		DEK	PA
	01-71	02-73	06-75	11-90

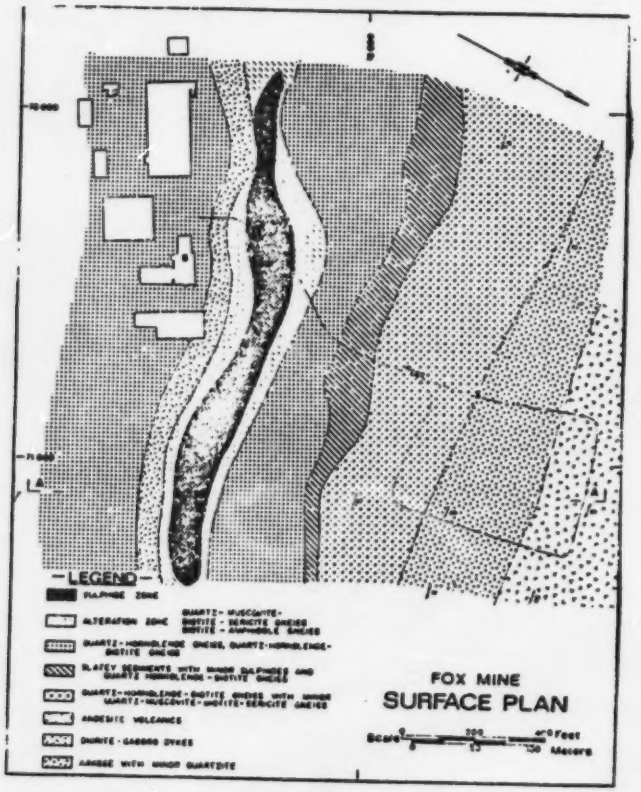

Fig. 12: Surface geological plan of the Fox Mine.

(Coats, 1972, IGC Field Excursion A31-C31, p. 47)

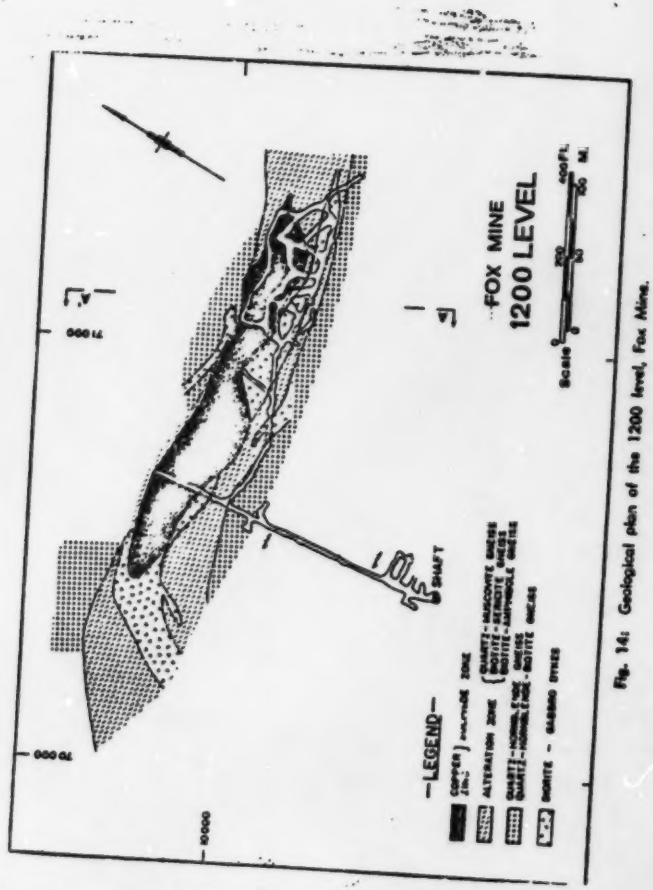

Fig. 14: Geological plan of the 1200 level, Fox Mine.

(Coats, 1972, IGC Field Excursion A31-C31, p. 48)

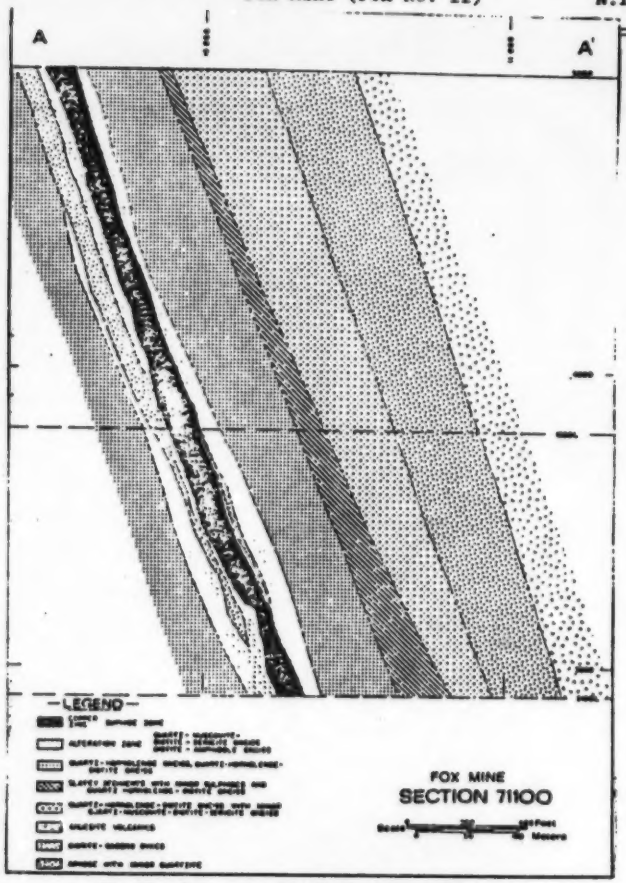

Fig. 13: Cross section 71100, Fox Mine, looking west.

(Coats, 1972, IGC Field Excursion A31-C31, p. 49)

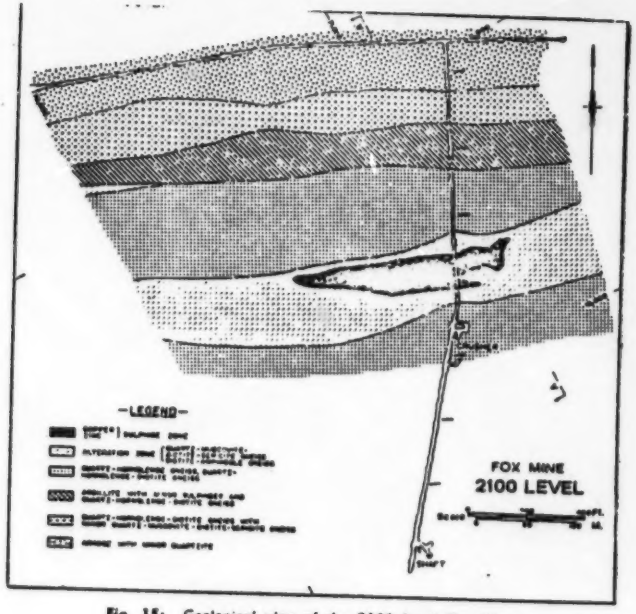

Fig. 15: Geological plan of the 2100 level, Fox Mine.

(Coats, 1972, IGC Field Excursion A31-C31, p. 50)

MANITOBA ENERGY AND MINES | MINERAL INVENTORY FILE NO. 623

PRODUCT Copper | N.T.S. AREA 64C/12 NW | REF. CU 2

NAME OF PROPERTY:
Laurie Lake (Lar Group)

OWNER OR OPERATOR AND ADDRESS
1990- LynnGold Resources Inc.
Lynn Lake, Manitoba
R0B 0W0

OBJECT LOCATED: DDH Lar 24 | MINING DIVISION The Pas

Lat. 56° 38.12' | Long. 101° 52.80' | UNCERTAINTY: 50 m

Sec. 17 | Tp. 88 | R. 28 WPM

DESCRIPTION OF DEPOSIT

The deposit is situated within an area mapped as Aphebian Wasekwan coarse- to fine-grained paragneiss (Map GP80-1-3).

Drill logs described intersections of andesite, quartzite, greywacke, meta-amphibolite, metatuff, biotite, chlorite schist and quartz-hornblende-biotite gneiss. Sulphide mineralization is disseminated to massive and consists primarily of pyrite and pyrrhotite, with chalcopyrite, sphalerite and some galena. Magnetite is a common accessory.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located near the northwest shore of Laurie Lake, about 16 km west of the Fox Mine (previously owned by Sherritt Gordon Mines Limited) and 57 km southwest of Lynn Lake.

In 1950, a grab sample was collected from the area by Milligan (1960).

Lar 13, 14, 17, 18 (P 89991, 92, 95, 96) were staked over the deposit in 1961 by G.D. Ruttan as part of the Lar Group of 66 claims.

During 1962 and 1965, 10 and then 13 holes were drilled on the Lar Group with 16 holes totalling 2457 m being drilled on Lar 17 (Non-confidential Assessment File Nos. 91713, 92157, 92158, 92371). The highest reported assays were from DDH Lar 8 on mineral disposition Lar 18 where 5.9 m (19.4 ft) averaging 1.62% Cu and 2.01% Zn and 1.7 m (5.5 ft) averaging 2.72% Cu and 1.97% Zn were penetrated (Non-confidential Assessment File No. 91713).

In the Annual Report for 1965, Sherritt Gordon Mines, Limited reported on the progress of the extensive drilling program conducted on a copper-zinc deposit (the Lar Group) on Laurie Lake, some 14.5 km (9 mi) to the west of the Fox Mine. The deposit had been tested to 305 m (1000 ft). At that time, no additional work was contemplated because the grade was too low to be economic (Lyon, 1966, p. 107). However, according to Mining Recording files, diamond drilling was reported as assessment work on the Lar group from 1965 to 1974.

Associated minerals or products of value
zinc, garnet

NAME OF PROPERTY
Laurie Lake (Lar Group) | N.T.S. AREA 64C/12 NW | FILE NO. 623 | REF. CU 2

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

In 1969, three holes totalling 1353 m were drilled on mineral disposition Lar 14. The highest reported assays were from DDH Lar 24 which returned 7.4% Cu and 3.78% Zn over 0.3 m (Gale, 1980) (Non-confidential Assessment File Nos. 91503, 91504).

An airborne EM/Mag survey was carried out by Sherritt Gordon Mines, Limited in 1972 (Non-confidential Assessment File No. 91696).

In 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990) and geological mapping was done at a scale of 1:50 000 (Zwanzig, 1976). The Lar group was cancelled in 1976, but Lar 17 and 18 were reinstated soon after. In 1977, the claims were assigned to Sherritt Gordon Mines Limited. Reconnaissance mapping (1:63 360) and rock geochemical sampling was done by Falconbridge Nickel Mines Limited in 1977 under a joint venture agreement with the Manitoba Government (Non-confidential Assessment File No. 92217).

In 1979, R. Sawyer staked CB 10025 (RIK) over the former Lar 13 and 14 claims for Sherritt Gordon Mines Limited. Ground surveys were carried out by Manitoba Mineral Resources Ltd. in 1982-83 as part of a joint venture exploration agreement with Sherritt Gordon Mines Limited. Drill core from the property was briefly examined by Fedikow and Gale (1982). Geological mapping was carried out by Stewart and Brewer (1984); mapping (Scale 1:4000) and rock geochemical sampling of the alteration zone associated with the deposit was done by Elliot (1984, 1986); and basal till sampling was done by Nielsen and Graham (1984). In 1985, the alteration zone was re-mapped at a scale of 1:600 and sampled, and drill core from eight diamond drill holes was logged and sampled (Elliot and Appleyard, 1985). The industrial mineral potential of the alteration zone was studied by Gunter and Yamada (1985).

In April 1988, Sherritt Gordon Mines Limited was renamed Sherritt Gordon Limited. The property was transferred to Hayes Resources Inc. that month. Hayes Resources was owned by American Barrick Resources Corporation, DCC Equities Ltd. (a subsidiary of Dynamic Capital Corporation) and International Pursuit Corporation (Winnipeg Free Press, February 12, 1988). According to the Canadian Mines Handbook (1988-89): American Barrick Resources Corporation and DCC Equities Ltd. each held approximately a 50% interest in Hayes Resources Inc. in March 1988.

In July 1988, the property was transferred to LynnGold Resources Inc. (formerly SherrGold Inc., 60% owned by Sherritt). Hayes Resources Inc. controls 62% of LynnGold Resources Inc. (Canadian Mines Handbook, 1989-90). In March 1989, American Barrick Resources Corporation and DCC Equities Inc. each held a 26% interest in Hayes Resources Inc. (Canadian Mines Handbook, 1989-90).

The Lar deposit is reported to contain geological reserves of 1.36 million tonnes (1.5 million tons) averaging 0.8% Cu and 2.15% Zn and to be open down plunge (Canadian Mines Handbook, 1989-90, p. 274).

LynnGold Resources Inc. filed for bankruptcy in 1989 (Canadian Mines Handbook, 1990-91).

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Comp./Rev. By	Date	GRJ	JDB	PA
		10-76	08-82	10-90

MANITOBA ENERGY AND MINES — MINERAL INVENTORY FILE NO. 624

PRODUCT Copper — N.T.S. AREA 64C/12 NW — REF. CU 3

NAME OF PROPERTY:
Gran Group

OWNER OR OPERATOR AND ADDRESS
1990 - Open

OBJECT LOCATED: Gran No. 11, DDH No. 1 — MINING DIVISION The Pas

Lat. 56° 38.65' — Long. 101° 49.30' — UNCERTAINTY: 500 m

Sec. — Tp. 88 — R. 28 WPM

DESCRIPTION OF DEPOSIT

The deposit is located in Precambrian Wasekwan metasediments and pre-Sickle intrusives. The Wasekwan metasediments consist of greywacke, quartzite and quartz-feldspar-biotite schists and gneisses, that are locally garnetiferous, and the pre-Sickle intrusives consist of granodiorite (Milligan, 1960, Map. 4). The pre-Sickle intrusives also include "granitic" gneisses (Milligan, 1950, Map 50-7).

Drill logs described intersections of garnetiferous quartz-biotite-hornblende gneisses that are locally chloritized, some impure quartzite, and altered tuff.

Up to 70% massive to semi-massive pyrrhotite was reported across some 0.3 m (1 ft) intersections of quartz-biotite gneiss. In general, 10-20% pyrrhotite and pyrite were more common. Up to 1% chalcopyrite and 1% sphalerite were reported across some 0.3 - 0.6 m (1-2 ft) intersections. Less than 0.5% galena was reported across a 1.2 m (4 ft) intersection at the 31.6 m (103.7 ft) depth in DDH No. 2 on Gran No. 11.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located between Laurie Lake and Craig Lake approximately 52 km southwest of Lynn Lake and approximately 9.2 km west of the Fox Mine (previously owned by Sherritt Gordon Mines, Limited).

The claim areas of Gran Nos. 8, 11 overlapped portions of the previously staked areas of the Tar and Rye Group. Tar Nos. 185-188, 189 Fr., 193 (P 90347-50, 51, 55) were staked by J.E. Martel in 1961. They were transferred to Hudson Bay Exploration and Development Company Limited the same year. In 1962, the claims were cancelled.

In 1961, Rye No. 1 (P 90009) was staked by Ronald L. Simpson and Rye No. 19 (P 90027) was staked by D. Countryman. Grouping and diamond drilling was reported in 1962. They were cancelled the following year.

Gran Nos. 8, 11 (P 8267B, 70B) were staked in 1965 by K.F. Goldstone, and were cancelled the following year.

Associated minerals or products of value
zinc, lead, nickel, garnets

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

A ground geophysical program indicated a probable continuation of the weakly mineralized zone (on the Rye Group), which was then tested by drilling (Non-confidential Assessment File No. 92573). A total of 189 m (621 ft) of diamond drilling was completed in three drill holes by Sherritt Gordon Mines, Limited during August and September of 1965. Limited assay values were reported in the corresponding drill logs (Non-confidential Assessment File No. 91019).

Results of diamond drilling:

Claim	DDH	Footage	Description	Assays %Cu	Assays %Zn
Gran 11	#1	29.9-30.1 m (98.3-98.9 ft)	quartz-biotite gneiss with semi-massive sulphides containing 50% pyrrhotite and 0.5% sphalerite	0.02	0.12
		60.1-60.6 m (197.2-198.9 ft)	quartz-biotite gneiss containing 3% pyrrhotite and 1% chalcopyrite	0.38	0.06
Gran 8	#3	31.5-31.6 m (103.5-103.9 ft)	siliceous band in quartz-biotite gneiss, quartzitic with garnets, 6% pyrrhotite.	0.09	0.03

An airborne EM/Mag survey was carried out by Sherritt Gordon Mines, Limited in 1972 under Airborne Permit No. 105 (Non-confidential Assessment File No. 91696). In 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990). Reconnaissance mapping (1:63 360) was done by Falconbridge Nickel Mines Limited in 1977 under a joint venture agreement with the Manitoba Government (Non-confidential Assessment File No. 92217).

In 1977, S. Parent (assisted by K. McMurren and C. Carriere) staked CB 7990 and CB 8000 for Sherritt Gordon Mines Limited. Ground geophysics confirmed earlier targets and indicated several new targets, two of which were drilled in 1977 (Non-confidential Assessment File No. 92573). DDH LE-1 and DDH LE-2 were drilled on CB 7990 (on the former Gran 8 claim) to depths of 69 m (227 ft) and 89 m (291 ft), respectively (Non-confidential Assessment File No. 92274). Maximum drill core assays reported for DDH LE-2 were 0.24% for Zn, 0.10% for Ni, and 0.04% for Cu. The 18 - 33 m (60.1 - 107.8 ft) section of arenaceous metasedimentary rocks with disseminated pyrite/pyrrhotite blebs/stringers assayed 0.02-0.05% Ni (maximum 0.1%), 0-0.04% Cu, 0.01-0.18% Zn. CB 7990 and CB 8000 were cancelled in October 1979.

In September 1981, Brian King (assisted by Gareth Thompson) restaked the area as CB 12513 (Pat 1) for Sherritt Gordon, and carried out geological mapping at a scale of 1:12 000 (Non-confidential Assessment File No. 92573). Two holes totalling 40 m (130 ft) were drilled that year on the former Gran 8 claim, and the core was re-logged in 1984 (Non-confidential Assessment File No. 92573). Geological mapping and the sampling of mineralized exposures was done by Stewart and Brewer (1984). CB 12513 was cancelled in January 1985.

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HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

CB 10440 (Pat 3) was staked by R. Sawyer for Sherritt Gordon Mines Limited in December 1984. Gunter and Yamada (1985) examined two areas of outcrop, separated by 500 m of cover, for their industrial mineral potential. CB 10440 was cancelled in February 1987.

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#Claim Map Series 64C/12 NW, Scale 1:31 680, Circa 1970, Mining Recording, Manitoba Mines Branch.

Comp./Rev. By Date	GRJ 10-76	PA 10-90

MANITOBA ENERGY AND MINES | MINERAL INVENTORY FILE NO. 625

PRODUCT Copper | N.T.S. AREA 64C/12 SE | REF. CU 4

NAME OF PROPERTY:
Jut No. 1

OWNER OR OPERATOR AND ADDRESS
1990-Manitoba Mineral Resources Ltd.
603 - 491 Portage Avenue
Winnipeg, Manitoba
R3B 2E4

OBJECT LOCATED: SW corner Jut No. 1 | MINING DIVISION The Pas

Lat. 56° 35.50' | Long. 101° 40.00' | UNCERTAINTY: 500 m

Sec. | Tp. 87 | R. 27 WPM

DESCRIPTION OF DEPOSIT

The deposit is situated within Aphebian Wasekwan metasediments and metavolcanics just northeast of the Wasekwan-Sickle contact. Coarse- to fine-grained paragneiss and aphyric basalt are shown on Map GP80-1-3 (Gilbert et al., 1980).

Drill logs reported intersections of garnetiferous hornblende-biotite gneiss and biotite gneiss, mica-altered andesite, and banded and highly chloritic tuff. Up to 70% massive pyrrhotite with minor chalcopyrite and pyrite was noted. Magnetite is associated and slight galena was observed (Non-confidential Assessment File Nos. 91011, 91012).

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located on the east shore of the north limb of McWhirter Lake, approximately 50 km southwest of Lynn Lake and approximately 5.5 km southwest of the Fox Mine (previously owned by Sherritt Gordon Mines Limited).

The claim area of Jut No. 1 (P 99147) overlapped four claim areas of the former J.F. Claim Group (Nos. 2, 5, 9, 10). J.F. Nos. 2, 5, 9 (P 16199, 202, 206) were staked by John W. Moore in 1947 and were cancelled in 1948. J.F. No. 10 (P 17846) was staked by Joseph McDonald in 1947 and was cancelled two years later. No development work was recorded on these claims (Milligan, 1960).

An airborne EM/Mag survey was carried out by Canadian Nickel Company Limited in 1954 under Airborne Permit No. 5 (Non-confidential Assessment File No. 91615). In 1960 an airborne EM/Mag survey was carried out by Selco Exploration Company Limited under Airborne Permit No. 31 (Non-confidential Assessment File No. 91626).

Jut No. 1 (P 99147) was staked by Trevor Jones in 1961. A ground EM survey was conducted by Prospectors Airways Company Limited (now Kerr Addison Mines Limited) on July 13, 1962 in conjunction with an EM survey of the Jut claim group (Nos. 1-24, 32, 34-58, 61-66). A 335 m (1100 ft) conductor was located on Jut No. 1 and diamond drilling was recommended (Non-confidential Assessment File No. 91009).

Associated minerals or products of value
zinc, silver, gold, nickel

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

During January and February of 1963, 152 m (499 ft) of diamond drilling was conducted in one drill hole. Up to 40% pyrrhotite, 30% magnetite, 10% chalcopyrite with some pyrite were described for some 0.6-1.5 m (2-5 ft) intersections. The best assay reported was 1.7% Cu and 0.56% Zn across 1 m (3.5 ft) at the 89 m (293 ft) depth (Non-confidential Assessment File No. 91012).

During January and February of 1964, a total of 245 m (803 ft) of diamond drilling was completed by Kerr Addison Mines Limited in two drill holes. The best intersection was 1.5 m (5 ft) of 0.70% Cu, 0.20% Zn, 21.26 g/t (0.62 oz/ton) Ag, trace Au and trace Ni at the 67 m (220 ft) depth in DDH No. 3 (Non-confidential Assessment File No. 91011). The claim was cancelled in 1965.

In 1969, an airborne scintillometer survey was done by Dome Exploration (Canada) Limited under Airborne Permit No. 79 (Non-confidential Assessment File No. 91674). Sherritt Gordon Mines, Limited carried out an airborne EM/Mag survey in 1972 under Airborne Permit No. 105 (Non-confidential Assessment File No. 91696). In 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990).

In 1978, Kevin McMurren staked CB 8961 over the deposit for Sherritt Gordon Mines Limited. The next year, a Scintrex MF-2 vertical component magnetometer survey and a Geonics EM-17 electromagnetic survey in the horizontal loop configuration outlined a magnetic anomaly, locally over 4000 gammas in amplitude and a coinciding moderately conducting body about 335 m (1100 ft) long, and dipping to the east. However, pyrrhotite was thought to be the probable magnetic source for the conducting body and drilling was not strongly recommended (Non-confidential Assessment File No. 92344). The claim block was cancelled in 1981.

McWhir 1, 3 and 4 (W 49124, 26, 27) were staked by Michael Taylor and David A. Young for Manitoba Mineral Resources Ltd. in 1984.

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#Claim Map Series 64C/12 SE, Scale 1:31 680, Circa 1970, Mining Recording, Manitoba Mines Branch.

REMARKS

Three diamond drill holes were completed on Jut No. 75 (P 7627A) and on Jut No. 80 (P 7632A) by Kerr Addison Mines Limited in 1964. Up to 70% massive pyrite and pyrrhotite was recorded for Jut No. 75 and up to 80% fine-grained pyrite and pyrrhotite was recorded for Jut No. 80. Incomplete core assays reported 7.19 g/t (0.21 oz/ton) Ag and trace quantities of gold, copper and zinc for Jut No. 75 and 6.86 g/t (0.20 oz/ton) Ag and trace quantities of gold, copper and zinc for Jut No. 80 (Non-confidential Assessment File No. 91011).

An assay of 1740 ppm Cr was reported for a sample taken about 1.9 km east of this area (Syme, 1985, p. 67).

Comp./Rev.	GRJ	JDB	PA
By Date	12-75	08-83	11-90

MANITOBA ENERGY AND MINES — MINERAL INVENTORY FILE NO. 626

PRODUCT Lead — N.T.S. AREA 64C/12 SE — REF. PB 1

NAME OF PROPERTY:
Gal Group

OWNER OR OPERATOR AND ADDRESS
1990- LynnGold Resources Inc.
Lynn Lake, Manitoba
ROB 0W0

OBJECT LOCATED: DDH No. 5A on Gal No. 4 — MINING DIVISION The Pas

Lat. 56° 36.10' — Long. 101° 35.40' — UNCERTAINTY: 500 m

Sec. — Tp. 88 — R. 26 WPM

DESCRIPTION OF DEPOSIT

The deposit is underlain by Precambrian Wasekwan metasediments (greywacke and derived quartz-biotite-hornblende-feldspar gneisses and schists, locally garnetiferous) that are intruded by a large gabbroic body in the south (Pre-Sickle). Contact derivatives from these two types are also present.

Mineralization found by trenching at the contact of the sediments and gabbro, consisted of pyrrhotite, pyrite and massive galena, with disseminated chalcopyrite in the schistose gabbro.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located southeast of Snake Lake along the creek that drains the lake, approximately 48 km southwest of Lynn Lake and 5.5 km southeast of the Fox Mine (previously owned by Sherritt Gordon Mines, Limited).

The claim areas of Gal Nos. 4 and 5 overlapped portions of the previously claimed areas of the K.Z. Group and the subsequently claimed areas of the Show, Creek and Bacon Groups and CB 5530.

In 1947, K.Z. Nos. 8, 9 (P 14880, 81) were staked by A. Galladi and K.Z. Nos. 11, 12 (P 14883, 84) were staked by H. Hackenstad. Geological mapping (Scale 1:2400) was completed for Noranda Mines, Limited in 1947 (Non-confidential Assessment File No. 91014). The claims were cancelled in 1949.

The area was also partially staked under Wolf No. 13 (P 17432) by Norman Leslie in 1947. Grouping and work was reported in 1948. The claim was cancelled in 1949.

An airborne EM/Mag survey was carried out by Canadian Nickel Company Limited in 1954 under Airborne Permit No. 5 (Non-confidential Assessment File No. 91615).

Due to the discovery of a surface showing of galena on the south side of the creek that drains Snake River, the Gal Group (P 35936-43) was staked in 1955; Gal No. 4 (P 35939) by Val Couchie and Gal No. 5 (P 35940) by A. Erickson.

Associated minerals or products of value
copper, gold, silver

NAME OF PROPERTY
Gal Group — N.T.S. AREA 64C/12 SE — FILE NO. 626 — REF. PB 1

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

During the same year, the claims were grouped and an EM survey was conducted for Cyprus Exploration Corporation Ltd.. A weakly expressed conductor was outlined approximately 366 m (1200 ft) away from the surface galena showing, but it did not appear to be closely related to the showing.

During September and October of 1955, a total of 205 m (672 ft) of diamond drilling was conducted in four holes on Gal No. 4 and No. 5 (Non-confidential Assessment File No. 91357). In general, sulphides were sparse in most of the core. However, 25-30% mineralization was described for a 1.5 m (5 ft) intersection at a depth of 22 m (72 ft) in DDH No. 5A. The sulphides consisted of two bands of 80% pyrite and the balance 5% disseminated pyrite, pyrrhotite, with specks of chalcopyrite. DDH No. 2 on Gal No. 5 intersected disseminated galena in a quartz stringer and in wall rock at the 20 m (64.5 ft) depth. No assays were reported.

Trenching was previously done on the river bank (Milligan, 1960; Davies et al., 1962). Pyrrhotite, pyrite and massive galena were observed in the pits, at the contact between quartz-biotite-feldspar gneiss and coarse-grained gabbro; chalcopyrite is disseminated in the schistose gabbro. The width of the mineralized zone varied from 2.5 cm to 30.5 cm (1-12 inches). Some vein quartz was present, and also carried galena. A pit sample, consisting of fragments, contained 3.06% Pb, 0.73% Cu, 4.11 g/t (0.12 oz/ton) Au and 342.85 g/t (10.0 oz/ton) Ag. A grab sample of the vein quartz contained 20.91 g/t (0.61 oz/ton) Au and 1066.29 g/t (31.1 oz/ton) Ag (Milligan, 1960).

The Gal Group was cancelled in 1960.

An airborne EM/Mag survey was carried out by Selco Exploration Company Limited in 1960 under Airborne Permit No. 31 (Non-confidential Assessment File No. 91626).

In 1961, Show Nos. 12, 15, 16 (P 91588, 91, 92) were staked by Lorne Anderson. Rio Tinto Mining Company of Canada Limited may have done work in this area that year (Fox Lake Mines Limited, Corporation File). Show No. 12 was transferred to Fox Lake Mines Limited the following year. Also in 1962, an option agreement was made with Charles C. Huston and ground EM/Mag surveys were conducted (Non-confidential Assessment File No. 91004). The claims were cancelled the following year.

Creek No. 2 (P 91596) was staked by George Grindle in 1961 and was cancelled in 1962.

Ham Nos. 3, 4, 7 (P 652A, 53A, 56A) were staked by N. Firth in 1962 and were cancelled the following year.

Bacon Nos. 2, 3, 7 (P 8971A, 72A, 76A) were staked by John J. Johnson in 1963. In 1964, they were grouped and some trenching was done. The claims were assigned to Warren S. Moore (Roberts Mining Company) in 1965. An airborne EM/Mag survey was conducted in 1968 (Non-confidential Assessment File No. 91441). In 1969, the claims were optioned by Noranda Exploration Company, Limited and a horizontal loop electromagnetic survey was done (Non-confidential Assessment File No. 91006). An airborne radiometric survey

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

was carried out by Dome Exploration (Canada) Limited in 1969 under Airborne Permit No. 79 (Non-confidential Assessment File No. 91674). The Bacon claims lapsed in 1971.

The area was restaked that year under CB 956 by Charles Mellon. An airborne EM/Mag survey was carried out by Sherritt Gordon Mines, Limited in 1972 under Airborne Permit No. 105 (Non-confidential Assessment File No. 91696). CB 956 was restaked as CB 5530 by Ted Kinash, and assigned to Charles Mellon in 1973. The claim block lapsed in 1976.

In 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990). Geological mapping (1:50 000) was carried out by Zwanzig (1977).

CB 8534 was staked by G. Lawson for A.L. Parres Ltd. in 1977 and was cancelled in 1979.

Sherritt Gordon Mines Limited staked CB 10423 (Asp 1) in 1980. The property was examined by Fedikow and Gale (1982). Detailed mapping of mineral occurrences at Snake Lake was carried out in 1983 (Gale, 1983). Stewart and Brewer (1984) carried out mapping and sampling of the mineralized exposures.

According to a report by Sherritt Gordon Mines Limited (Third-quarter Report to Shareholders, 1985): "Drilling at Snake Lake, three miles (4.8 km) from the Fox Mine, has outlined low grade lead/zinc/silver mineralization over significant widths. The zone has a minimum strike length of 1,200 feet (366 m), and is open at depth and to the east.".

In April 1988, Sherritt Gordon Mines Limited was renamed Sherritt Gordon Limited. The property was transferred to Hayes Resources Inc. that month. Hayes Resources was owned by American Barrick Resources Corporation, DCC Equities Ltd. (a subsidiary of Dynamic Capital Corporation) and International Pursuit Corporation (Winnipeg Free Press, February 12, 1988). According to the Canadian Mines Handbook (1988-89): American Barrick Resources Corporation and DCC Equities Ltd. each held approximately a 50% interest in Hayes Resources Inc. in March 1988.

In July 1988, the property was transferred to LynnGold Resources Inc. (formerly SherrGold Inc., which was 60% owned by Sherritt). Hayes Resources Inc. controls 62% of LynnGold Resources Inc. (Canadian Mines Handbook, 1989-90). In March 1989, American Barrick Resources Corporation and DCC Equities Inc. each held a 26% interest in Hayes Resources Inc. (Canadian Mines Handbook, 1989-90). LynnGold Resources Inc. filed for bankruptcy in 1989 (Canadian Mines Handbook, 1990-91).

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Claim Map Series 64C/12 SE, Scale 1:31 680, Circa 1960, Mining Recording, Manitoba Mines Branch.

REMARKS

Milligan (1960) reported spodumene fragments alongside a trench on the 1800 west line.

In 1988, Black Hawk Mining Inc. drilled seven holes on LynnGold's 'Snake Lake' property, and outlined a sphalerite-rich zone with 1-5% Zn over a length of more than 274 m (900 ft) and a maximum width of 45 m (147 ft). The zone is estimated to contain 0.9 million tonnes (1 million tons) of 0.04% Cu, 0.81% Zn, 0.48% Pb, and 26.06 g/t (0.76 oz/ton) Ag to a depth of 61 m (200 ft) (Black Hawk Mining Inc., 1988 Annual Report). The zone was also intersected at a depth of 335 m (1100 ft). Another hole was drilled in 1989, but no significant mineralization was intersected. It is not known if the work was done on the It (64C/12 ZN 1) or the Gal group. Black Hawk can earn up to 49% interest in the property (Black Hawk Mining Inc., 1989 Annual Report).

Comp./Rev.	GRJ	PA
By Date	12-75	11-90

MANITOBA ENERGY AND MINES — MINERAL INVENTORY FILE NO. 627

PRODUCT Pyrites — N.T.S. AREA 64C/12 SW — REF. PYR 1

NAME OF PROPERTY:
Tod Group

OWNER OR OPERATOR AND ADDRESS
1990 - Open

OBJECT LOCATED: Tod No. 32, DDH No. 4 — MINING DIVISION The Pas

Lat. 56° 35.15' — Long. 101° 48.15' — UNCERTAINTY: 500 m

Sec. — Tp. 87 — R. 28 WPM

DESCRIPTION OF DEPOSIT

The deposit is located in Precambrian Wasekwan metavolcanics and metasediments that are locally garnetiferous. The metasediments are primarily slaty greywacke with possibly derived gneisses and schists. The metavolcanics consist of altered (chloritic) andesite material, intermediate to basic volcanic tuff and derived amphibolite.

Drill logs reported intersections of intermediate to basic volcanic tuff, slaty sediments (mainly greywacke), graphitic schist, quartz-biotite gneisses, altered andesitic material, with some amphibolite.

From drill log data, up to 75% sulphide mineralization, mainly pyrrhotite and pyrite, is associated with the slaty greywacke. Little to no mineralization is associated with the volcanic tuff and andesite. Chalcopyrite, magnetite and graphite are locally associated with the pyrite and pyrrhotite mineralization. Two drill intersections listed specks of sphalerite.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located along the isthmus of land that separates Laurie Lake to the northwest from Tod Lake, to the southeast; approximately 54 km southwest of Lynn Lake and approximately 10.5 km southwest of the Fox Mine (previously owned by Sherritt Gordon Mines, Limited).

The claim areas of Tod Nos. 19, 21, 32, and 33 overlapped portions of the previously staked claim areas of the Dixie Group. Dixie Nos. 1-6 (P 16419-24) were staked by D.R. Russell in 1947. Dixie Nos. 10, 11 (P 16417, 16418) were staked in 1947 by C.J. Cameron, and were transferred to D.R. Russell in 1948. Five trenches were reported as assessment work on the Dixie Group of claims in 1948, but only a small prospect pit was found by Milligan (1960, p. 197). The claims lapsed in 1949. Grab samples were collected by G.C. Milligan during a geological mapping (1:31 680) program in 1950 (Milligan, 1960).

Associated minerals or products of value
copper, zinc, silver, gold, (titanium)

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

An airborne EM/Mag survey was carried out by Selco Exploration Company Limited in 1960 under Airborne Permit No. 31, and an AEM conductor was outlined east of the Tod 19 claim (Non-confidential Assessment File No. 91626). Fox, Fox Nos. 1-3 (P 88060-63) were staked by Murray MacDonald in 1961, and may have been explored by Selco Exploration Company Limited (see A.F. 91017). The claims were cancelled in 1962.

Tod Nos. 19, 21, 23, 27, 31, 32, 33, 35, (P 89888, 890, 892, 896, 899, 900, 901, 903) were staked in 1961 by John Eycroft. In the same year, Tod Nos. 40, 56, 57, 60 (P 89908, 923, 924, 927) were staked by J.R. Laird. The claims were cancelled in 1963.

Sherritt Gordon Mines, Limited carried out a ground horizontal loop electromagnetic survey (Non-confidential Assessment File No. 92228) and a 21-hole 1048 m (3439 ft) diamond drill program on Tod Nos. 19, 21, 23, 27, 31, 32, 33, 35, 40, 54, 56, 57, 60 in 1961. No assay values were reported in the corresponding drill logs (Non-confidential Assessment File No. 91017). Some of the better intersections of mineralization are listed as follows:

Claim	DDH	Footage	Description
Tod 32	#4	21.3-22.9 m (70-75 ft)	slaty sediments with 75% massive sulphides - 65% pyrrhotite, 10% pyrite
		22.9-24.4 m (75-80 ft)	60% massive sulphides with specks of chalcopyrite
		24.4-27.4 m (80-90 ft)	slaty sediments with 45% sulphides - 35% pyrrhotite, 10% pyrite, and specks of chalcopyrite
		27.4-28.9 m (90-95 ft)	40% sulphides, varying from 30% pyrite and 10% pyrrhotite to 30% pyrrhotite and 10% pyrite, with specks of chalcopyrite.
Tod 33	#3	42.7-44.2 m (140-145 ft)	slaty greywacke with 60% sulphide - 40% pyrrhotite, 18-20% pyrite, specks of chalcopyrite
		46.6-49.1 m (153-161 ft)	slaty sediments with 60% sulphides - 40% pyrite, 15% pyrrhotite, specks of chalcopyrite.
Tod 31	#6	29.3-30.5 m (96-100 ft)	slaty sediments with 60% sulphides - 45% pyrrhotite, 15% pyrite
		30.5-31.7 m (100-104 ft)	75% sulphides with 65% pyrrhotite, 10% pyrite
Tod 19	#7	23.9-27.3 m (78.5-89.7ft)	slaty rock with sedimentary banding, 60% sulphides, 40% pyrite, 20% pyrrhotite
		27.3-30.5 m (89.7-100 ft)	50% sulphides, 35-40% pyrite, 10-15% pyrrhotite
		42.7-46.9 m (140-154 ft)	45% sulphides, 30% pyrite, 15% pyrrhotite with specks of sphalerite
Tod 23	#23	7.3-9.1 m (24-30 ft)	sediments with sulphide mineralization; 35% sulphides - 25% pyrite, 10% marcasite and specks of sphalerite.

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

An airborne radiometric survey was carried out by Dome Exploration (Canada) Limited in 1969 under Airborne Permit No. 79 (Non-confidential Assessment File No. 91674). An airborne EM/Mag survey was carried out by Sherritt Gordon Mines, Limited in 1972 under Airborne Permit No. 105 (Non-confidential Assessment File No. 91696). In 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990). Reconnaissance mapping (1:63 360) and rock geochemical sampling was done by Falconbridge Nickel Mines Limited in 1977 under a joint venture agreement with the Manitoba Government (A.F. 92217).

In 1978, CB 6197 and CB 6199 were staked by Falconbridge Nickel Mines Limited. A five hole 621 m (2037 ft) diamond drill program was carried out in 1983 (Non-confidemtial Assessment File No. 92880). DDH TL-4 (on former Tod 53 claim) intersected 3.6 m (11.8 ft) of near solid to solid sulphides, mainly pyrrhotite and pyrite, at a depth of 87 m (285.2 ft); this section assayed 0.03% Cu, 0.16-0.27% Zn, trace - 2.1 g/t (0.06 oz/ton) Ag. A 3 m (10 ft) section of core from a depth of 61 m (200 ft) returned assays of up to 3.39% TiO_2. DDH TL-5 (on former Fox claim) returned 0.02% Cu, 0.22% Zn, trace Au, 1.37 g/t (0.04 oz/ton) Ag over 1 m (3.3 ft) at a depth of 112 m (367 ft).

In 1983, Falconbridge staked additional ground to the southeast under the Tod Nos. 2-5 (W 47417-20) claims. In 1984 the company's name was changed to Falconbridge Limited. Stewart and Brewer (1984) carried out mapping and sampling of the mineralized exposures.

Tod Nos. 2-5 were cancelled in April 1989, followed by CB 6197, 6199 in June 1989.

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Map, North-west Manitoba, (Till Geochemical survey), Scale 1:250 000; GSC Open File 1204, Geological Survey of Canada (1986).
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REMARKS

Trace gold was reported in a sample from the west shore of Tod Lake, about 730 m east of the Dixie Group (#343, Milligan, 1960, p. 289).

Comp./Rev.	GRJ	PA
By Date	01-76	11-90

MANITOBA ENERGY AND MINES | MINERAL INVENTORY FILE NO. 628

PRODUCT Pyrites | N.T.S. AREA 64C/12 NW | REF. PYR 2

NAME OF PROPERTY:
Rye Group

OWNER OR OPERATOR AND ADDRESS
1990 - Open

OBJECT LOCATED: Rye No. 14, DDH No. 6 MINING DIVISION The Pas

Lat. 56° 37.85' Long. 101° 47.65' UNCERTAINTY: 500 m

Sec. Tp. 88 R. 28 WPM

DESCRIPTION OF DEPOSIT

The area is underlain by Precambrian rocks comprising Wasekwan metasediments in the south and pre-Sickle intrusives in the north (Milligan, 1960, Map 4). The Wasekwan metasediments consist of greywacke, quartzite and quartz-feldspar-biotite schists and gneisses that are locally garnetiferous. The pre-sickle intrusives consist of granodiorite; however, Milligan (1952) also indicated the rock type to be a "granitic" gneiss.

Drill logs described intersections of biotitic hornfels, impure quartzite, garnetiferous quartz-biotite gneiss, chloritized quartz-biotite gneiss along possible shear zones, and altered talcose and chloritic amphibolite.

Up to 55% sulphide mineralization was described for some intersections of impure quartzite and chloritized quartz-biotite gneiss. Both massive and disseminated pyrrhotite and pyrite, with trace quantities of chalcopyrite and sphalerite, were reported.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located north of the northeast shore of Laurie Lake, approximately 52 km southwest of Lynn Lake and 9 km west of the Fox Mine (previously owned by Sherritt Gordon Mines, Limited).

Rye Nos. 8, 11, 14 (P 90016, 19, 22) were staked by Ronald L. Simpson in 1961. Grouping and diamond drilling were reported in 1962. They were cancelled the following year.

A total of 285 m (934 ft) of diamond drilling was completed by Sherritt Gordon Mines, Limited in 6 drill holes, during August and September of 1961, to test a folded conductor that had been outlined by ground geophysics (Non-confidential Assessment File Nos. 91020, 92573). No assay values were

Associated minerals or products of value
copper, zinc, nickel

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

reported in the corresponding drill logs. Some of the better intersections of mineralization are listed below:

Claim	DDH	Footage	Description
Rye 14	#6	14.7-16.3 m (48.3-53.4 ft)	impure quartzite with semi-massive pyrrhotite; 45% pyrrhotite, some chalcopyrite, sphalerite
		16.3-17.5 m (53.4-57.4 ft)	impure quartzite, with 55% pyrrhotite, some chalcopyrite, sphalerite; 7.6 cm (3") massive pyrrhotite at the 17.4 m (57.2 ft) depth
		24.5-25.3 m (80.5-82.9 ft)	quartz-biotite-chloritized gneiss containing semi to massive sulphides; 50% pyrrhotite, trace chalcopyrite, sphalerite
		25.3-26.4 m (82.9-86.6 ft)	quartz-biotite gneiss with bands of impure quartzite, 35% pyrrhotite, trace chalcopyrite, sphalerite

An airborne EM/Mag survey was carried out by Sherritt Gordon Mines, Limited in 1972 under Airborne Permit No. 105 (Non-confidential Assessment File No. 91696). In 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990). Reconnaissance mapping (1:63 360) was done by Falconbridge Nickel Mines Limited in 1977 under a joint venture agreement with the Manitoba Government (Non-confidential Assessment File No. 92217).

In 1977 the area was staked under CB 7712 by P.C. Smith, assisted by C. Kavanaugh and C. Chartrand, for Sherritt Gordon Mines Limited. Ground geophysics confirmed earlier targets and one hole (DDH LE-3) was drilled to a depth of 216 m (710 ft) that year (Non-confidential Assessment File Nos. 92573, 92274). The section from 27.6 to 32.8 m (90.8-107.9 ft) of banded arenaceous metasedimentary rocks returned 0.02-0.03% Ni; other short sections of core returned trace Cu, Zn, Ni in assays (Non-confidential Assessment File No. 92274). The claim block was cancelled in 1979.

In 1981, the area was restaked under CB 12517 (Pat 2) by Brian King (assisted by Gareth Thompson) for Sherritt Gordon Mines Limited. That year, a geological survey was carried out and relict drill core found in the area was examined (Non-confidential Assessment File No. 92573). Stewart and Brewer (1984) did reconnaissance work in the area and found very little outcrop; two probable drill hole locations and partially deteriorated drill core were found. CB 12517 was cancelled in January 1985.

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Comp./Rev.	GRJ	PA
By Date	01-76	10-90

MANITOBA ENERGY AND MINES — MINERAL INVENTORY FILE NO. 629

PRODUCT Zinc — N.T.S. AREA 64C/12 SE — REF. ZN 1

NAME OF PROPERTY:
IT Group

OWNER OR OPERATOR AND ADDRESS
1990- LynnGold Resources Inc.
Lynn Lake, Manitoba
ROB 0W0

OBJECT LOCATED: DDH No. 2 on IT No. 3 — MINING DIVISION The Pas

Lat. 56° 36.85' Long. 101° 34.50' UNCERTAINTY: 500 m

Sec. Tp. 88 R. 26 WPM

DESCRIPTION OF DEPOSIT

The deposit is underlain by locally garnetiferous Precambrian Wasekwan metasediments (greywacke) that are intruded by large masses of the Pre-Sickle Group of gabbro. Drill logs described intersections of hornblende-biotite-quartz gneiss and biotite gneiss, calc-silicate gneiss and gabbro.

Mineralization was generally associated with the calc-silicate gneiss. Drill core sections were slightly to well mineralized with pyrrhotite (with some visible pyrite). Graphite is commonly associated with the mineralization.

HISTORY OF EXPLORATION AND DEVELOPMENT

The deposit is located 1.5 km east of Snake Lake, approximately 45 km southwest of Lynn Lake and approximately 5.5 km southeast of the Fox Mine (previously owned by Sherritt Gordon Mines, Limited).

The claim areas of It Nos. 2, 3 overlapped portions of the previous claim areas of the Wolf, Show and Ham Groups.

Wolf Nos. 1, 2, 3, 6, 7 (P 17420-23, 25-26) were staked in 1947 by Roy Leslie. Seven trenches in the northeast corner of Wolf 1 were reported as assessment work during 1948 (Milligan, 1960, p. 196). The group was cancelled in 1949.

An airborne EM/Mag survey was carried out by Canadian Nickel Company Limited in 1954 under Airborne Permit No. 5 (Non-confidential Assessment File No. 91615).

Gal 13, 14 (P 36263, 64) were staked by J.G. Thomson in 1955 and were cancelled in 1960.

An airborne EM/Mag survey was carried out by Selco Exploration Company Limited in 1960 under Airborne Permit No. 31 (Non-confidential Assessment File No. 91626).

Associated minerals or products of value
nickel

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

Show Nos. 3, 4, 8, 9, 12, 13 (P 91579, 80, 84, 85, 88, 89) were staked by Lorne Anderson in 1961. In 1962, the Show Group was transferred to Fox Lake Mines Limited. At this time, an option agreement was made with Charles C. Huston and EM/Mag surveys were conducted (Non-confidential Assessment File No. 91004). The claims were cancelled the following year.

Ham No. 1 (P 650A) was staked by N. Firth in 1962 and was cancelled the following year.

It Nos. 2, 3 (P 6442C, 43C) were staked by Archie Talbot in 1966 and were grouped in 1967. Rock trenching was reported for 1967 and 1968. In 1968, an airborne EM survey was conducted by Questor Surveys Limited for Roberts Mining Company in conjunction with their Bacon (P 8970A-77A), Bag (P 8372B-97B), It (P 6441C-52C) and Win (P 957B-72B) Groups of claims (hereafter referred to as the Roberts-Talbot option) (Non-confidential Assessment File No. 91441).

The Roberts-Talbot option was leased to Noranda Exploration Company, Limited in 1969 (Canadian Mines Handbook, 1970-1971), and a horizontal loop EM survey was carried out (Non-confidential Assessment File Nos. 91006, 91013). During December of 1969, a total of 109 m (357 ft) of diamond drilling was completed in two holes (Non-confidential Assessment File No. 91013). Very slight to well mineralized pyrrhotite with visible pyrite were described for some 0.6-1.5 m (2-5 ft) intersections. The best assays reported 0.31% Zn and 0.03% Ni across 1.5 m (4.8 ft) at the 40 m (130 ft) depth on It No. 3.

Results of diamond drilling:

Hole	Depth	Footage	Description	Assays %Zn	%Ni
It #2	22 m (70.9 ft)	2 m (6.6 ft)	Very slight to well mineralized pyrrhotite; visible pyrite.	0.24	0.03
It #3	40 m (130 ft)	1.5 m (4.8 ft)	Mineralized to well mineralized pyrrhotite	0.31	0.03
	47 m (155 ft)	1.5 m (5 ft)	Mineralized pyrrhotite	-	0.04
	50 m (164.4 ft)	1.4 m (4.5 ft)	Mineralized to well mineralized pyrrhotite	-	0.04

It Nos. 2, 3 were cancelled in 1970.

(A map in Non-confidential Assessment File No. 91006 indicates that five holes had been drilled in this area by 'others' prior to Noranda's drilling: this includes two holes on It No. 3 and two holes on Win 14 (P 970B)).

An airborne EM/Mag survey was carried out by Sherritt Gordon Mines, Limited in 1972 under Airborne Permit No. 105 (Non-confidential Assessment File No. 91696). In 1976 an airborne EM/Mag survey was carried out by Questor Surveys Limited for the Manitoba Government (Non-confidential Assessment File No. 91990).

HISTORY OF EXPLORATION AND DEVELOPMENT cont'd

CB 5404 was staked by J.A. Bolen in 1973 and was cancelled in 1976. Geological mapping (1:50 000) was carried out by Zwanzig (1977).

Sherritt Gordon Mines Limited staked CB 12518 (Asp 6) and CB 11411 (Asp 8) in 1981, and CB 12548 (Asp 16) in 1983. The property was examined by Fedikow and Gale (1982). Detailed mapping of mineral occurrences at Snake Lake was carried out in 1983 (Gale, 1983). Stewart and Brewer (1984) carried out mapping and sampling of the mineralized exposures. Gunter and Yamada (1985) did a reconnaissance survey to evaluate the industrial mineral potential of the area.

In April 1988, Sherritt Gordon Mines Limited was renamed Sherritt Gordon Limited. The property was transferred to Hayes Resources Inc. that month. Hayes Resources was owned by American Barrick Resources Corporation, DCC Equities Ltd. (a subsidiary of Dynamic Capital Corporation) and International Pursuit Corporation (Winnipeg Free Press, February 12, 1988). According to the Canadian Mines Handbook (1988-89): American Barrick Resources Corporation and DCC Equities Ltd. each held approximately a 50% interest in Hayes Resources Inc. in March 1988.

In July 1988, the property was transferred to LynnGold Resources Inc. (formerly SherrGold Inc., 60% owned by Sherritt). Hayes Resources Inc. controls 62% of LynnGold Resources Inc. (Canadian Mines Handbook, 1989-90). In March 1989, American Barrick Resources Corporation and DCC Equities Inc. each held a 26% interest in Hayes Resources Inc. (Canadian Mines Handbook, 1989-90). LynnGold Resources Inc. filed for bankruptcy in 1989 (Canadian Mines Handbook, 1990-91).

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NAME OF PROPERTY
IT Group
N.T.S. AREA 64C/12 SE
FILE NO. 629
REF. ZN 1

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REMARKS

1. In 1969, diamond drilling was conducted by Noranda Exploration Company, Limited on two other claim sites within the same Roberts-Talbot option.

   A total of 65.5 m (215 ft) of drilling was completed on Bag No. 1 (P 8372B), about 1.3 km NW of this area. Only very slight pyrite and pyrrhotite mineralization was described (Non-confidential Assessment File No. 91013).

REMARKS cont'd

   A total of 58.5 m (192 ft) of drilling was completed on Win No. 4 (P 960B), located about 2.5 km SW of It No. 3. Slight to well mineralized pyrrhotite, disseminated and in blebs and stringers, was described at the 51 m (168 ft) depth. This intersection assayed trace amounts of zinc and nickel (Non-confidential Assessment File No. 91016).

2. A sample from the north part of Wolf Lake, about 2.4 km NNE, returned 2764 ppm Cr (#122, Syme, 1985).

3. In 1988, Black Hawk Mining Inc. drilled LynnGold's 'Snake Lake' property, and outlined a sphalerite-rich zone (see 64C/12 PB 1, remarks). It is not known if this drilling was done on the It group or the Gal (64C/12 PB 1) group.

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